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Global Size Of Markets Means More Upheavals

By Carl Gewirtz
International Herald Tribune

PARIS — The worst of this month's financial crisis is over. But the real story is that such upsets are now virtually programmed to occur so long as old-style politicians, playing to domestic audiences, cling to the illusion that it's still business as usual despite the growing globalization of financial markets.

Like the opposing forces that result in earthquakes, the globalization of markets is in constant conflict with the nation-state design of economic

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policy. And as there is little likelihood of undoing the near decade-long integration of markets, severe jolts to the financial system are to be expected so long as policymakers fail to adapt to the fact that they have lost leeway to make mistakes.

Analysts, cautioning that after-shock tremors may continue to be felt, were confident that the latest upset was effectively defused last week after the United States offered a package of guarantees assuring investors that Mexico would have the cash to redeem its maturing dollar debts. This gave the peso a big boost and lifted prices of domestic securities and foreign currency bonds of Mexico and most other developing countries.

"It's beginning to feel like the time to huy, like the day after the October 1987 worldwide crash in stock prices," a trader in emerging market debt said. Traders of emerging market securities said that while conditions remained amazingly volatile, with many investors still trying to liquidate positions, there had been a sharp increase of so-called bottom-fishers, investors eager to buy.

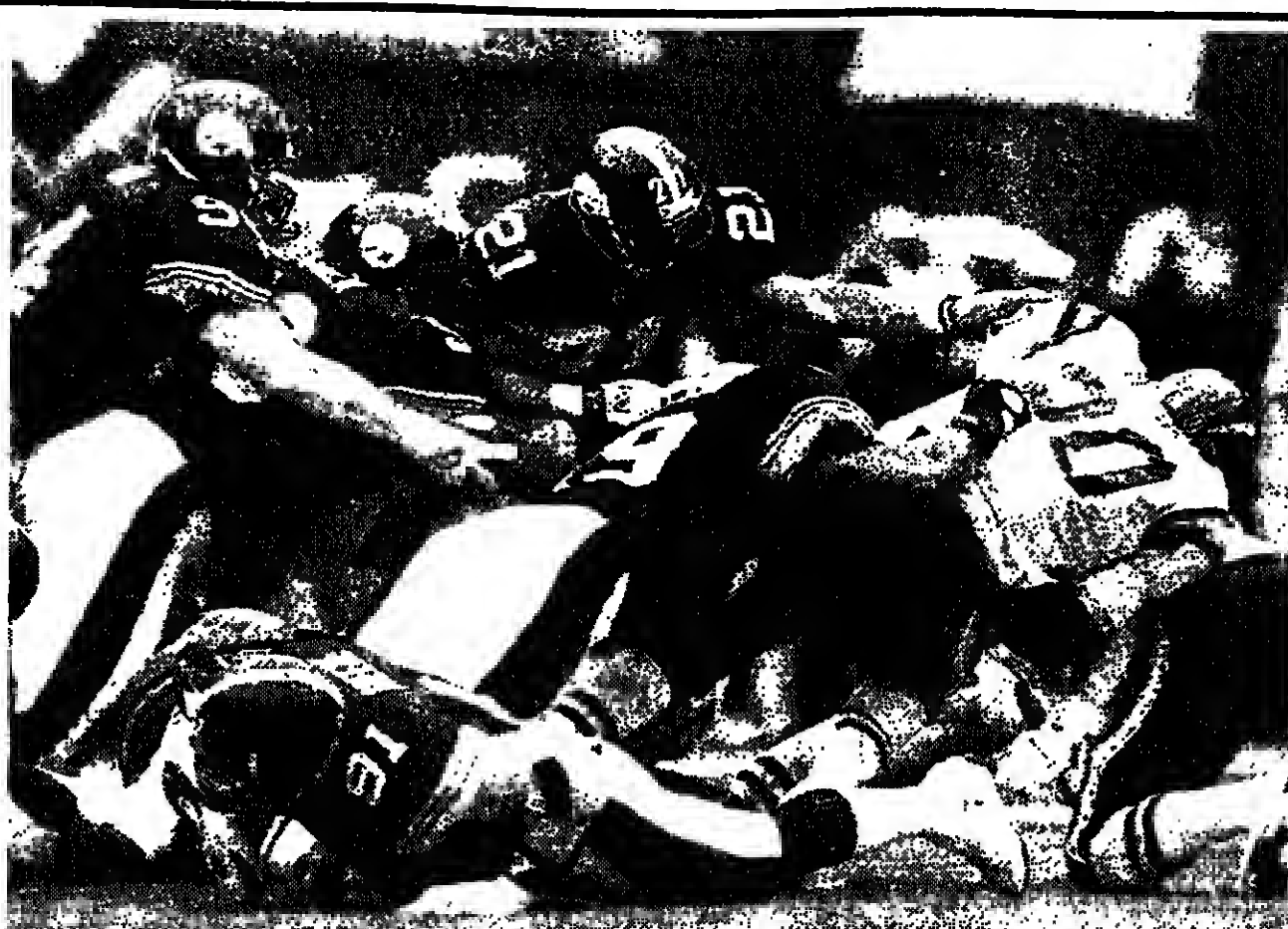
The better mood also was evident in Italy, where Lamberto Dini, the veteran central banker, became the prime minister-designate. Likewise, in Spain, the announcement of spending cuts and other economic reforms lifted the pressure off the peseta.

But analysts warn that the damage from the sell-offs will be long lasting and, in one form or another, may well be repeated.

While markets have yet to develop anything as accurate as the Richter scale to measure the severity that earthquake-like jolts have on the financial system, experts assert that the damage following last month's devaluation of the Mexican peso will be severe.

It will result in an increase in the cost of capital — a combination of

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Chargers Beat Steelers to Gain Ticket to Super Bowl

The Pittsburgh Steelers' defense stopped the San Diego Chargers' running back Natrone Means on a short yardage run near the goal line in the second quarter Sunday, but San Diego overcame the powerful Steeler front line and took advantage of Pittsburgh's mistakes to win the American Football Conference title, 17-13, and its first trip to the Super Bowl. Page 13.

Millions Turn Out for Pope's Manila Mass

By William Branigin
Washington Post Service

MANILA — In an outpouring of devotion unmatched in his papacy, a crowd estimated in the millions flocked to a Manila park on Sunday to celebrate a Mass with Pope John Paul II marking the Roman Catholic Church's 10th World Youth Day.

With estimates of the huge throng ranging from 2 million to more than 4 million, church officials said it was the largest gathering for John Paul II in his nearly 17 years as Pope, and may have been the largest papal Mass in history.

The turnout of Filipinos, joined by thousands of youth delegates and hundreds of bishops from all over the world, clearly awed the Pope, who was nearly an hour and a half late in starting the Mass because he was unable to get through the crowds from his residence at the papal nunciature two miles away. Eventually, he was taken to another site in his new, locally made "popemobile," then ferried by helicopter to the Luneta Park site of the Mass beside Manila Bay.

"I personally have never seen crowds this big in all my life," said Archbishop James Foley, the Vatican's communications director. He said he accompanied the Pope on his first trip back to his native Krakow in 1979, when an estimated 2

million Poles turned out to celebrate John Paul's ascension to the papacy. "I have never seen anything to match the enthusiasm, the fervor of this event."

By the end of the Mass, Archbishop Foley and other church leaders put the size of the crowd at 4 million people. It was

Is the Filipino cardinal Jaime L. Sin destined to become Pope? Page 4

Impossible to tell the size of the gathering in this city of more than 8 million inhabitants with certainty, but there was no mistaking its fervor.

The tremendous turnout attested not only to the religious devotion of Filipinos in Asia's only predominantly Roman Catholic country, but to the special bond they appear to feel with John Paul II.

The festive throng repeatedly chanted such slogans as "John Paul II. We love you," as the ailing Pope kept time by thumping his papal scepter on the stage. Led by announcers, the vast sea of people arrayed before the 74-year-old pontiff also entertained him by doing the "wave of love," raising and lowering their arms rhythmically like fans at a football game. By the end of the ceremonies, the Pope was mimicking them.

For Filipinos, the occasion was a chance to return the affection that John Paul

seems to hold for them as his missionaries in Asia, a people converted to Catholicism by the Spaniards more than four centuries ago and a potential springboard for expansion of the faith in Asia.

"I think we are blessed," said Honesto Sazon, a 48-year-old airline employee who first saw John Paul when he visited the Philippines the first time in 1981. "He has had great impact on the Filipino people. He loves the Filipino people very much."

Filipinos respond to the Pope because of his "charisma and his sincerity," as well as his "missionary zeal," Mr. Sazon said after attending the Mass. There is also a sense that "maybe we will no longer see him again in the coming years because of his health," he said.

For practical purposes, the turnout and sheer exuberance of the crowd overshadowed the Pope's message, which called on young people to honor their parents and respect "moral norms."

"Parents and older people sometimes feel that they have lost contact with you, and they are upset," John Paul told the estimated 10,000 World Youth Day delegates. "I am asking you to build bridges of dialogue and communication with your parents."

He criticized young people who "abuse the beautiful gift of sexuality," as well as

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Get Back on Track, U.S. Tells Moscow

Grozny Resists Chechen Fighting Fierce Assault by Russian Forces 'Very Harmful' To Reform Effort

By Steven Erlanger
New York Times Service

GROZNY, Russia — In vicious street fighting under a ferocious Russian artillery bombardment on Sunday, Chechens fighting to keep their self-declared independence have kept up their resistance against seemingly impossible odds and still control key buildings in central Grozny, the capital.

Fighting was said to be continuing in the area around the presidential palace, especially around the Chechen Interior Ministry and Security Ministry. There is also heavy fighting near the railroad station.

There were reports that Chechen fighters repulsed an overnight attack on the presidential palace, which was again on fire. But given the centralized nature of the fighting and the heavy bombardment, it is impossible to verify all versions of the combat, since Western reporters are generally staying more than a mile away from the presidential palace.

There were also new bombings and rocketings at the Minutka traffic circle, south of the palace, killing some civilians, in what is now a regular Russian effort to ensure that the fighters in the center cannot be resupplied or reinforced from the south, along Lenin Prospekt.

Grozny on Sunday was covered with a heavy, low fog, making air bombardment difficult. But from a hill in the city, it was possible to see huge flashes from heavy artillery.

A clear day on Monday is almost sure to see new aerial bombing of the palace. Part of the three upper floors of the building's south side, where the Chechen president, Dzhokar Dudayev, has his office, were reported to have collapsed Sunday.

Mr. Dudayev is apparently back in the basement bunker of the palace, at least according to the German Sunday tabloid Bild am Sonntag, which printed an interview with him that the paper said was conducted there. Mr. Dudayev is quoted as vowing continued resistance and promising Moscow that its war in Chechnya will last as long as the Soviet war in Afghanistan. The war lasted nearly 10 years.

[Russian news agencies said in unconfirmed reports that Ovlur Dudayev, son of the Chechen leader, had died of wounds received in battle, Reuters reported. They gave few details but said he had already been buried.]

Russian forces are also moving to block probable Chechen escape routes, bombing mountainous villages south of Grozny where the Chechen fighters vow to continue the war if driven out of the capital.

While the Russian invasion began Dec. 11, the first plane load of UN humanitarian aid arrived Sunday at Beslan, in nearby North Ossetia. The plane, from the UN

See GROZNY, Page 4

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — Saying that fighting in Chechnya has dealt a "serious setback" to democratic and economic reform in Russia, Secretary of State Warren M. Christopher promised Sunday to tell Moscow's leadership that it must restore ties to reformers and seek reconciliation with the Chechen people.

"This episode has been very harmful," Mr. Christopher said. "It's been ill-conceived and ill-executed."

He flies to Geneva on Monday for talks Tuesday with the Russian foreign minister, Andrei V. Kozirev.

The secretary of state said he would tell Mr. Kozirev that Moscow's military effort to subdue secessionist Chechen rebels must end "as soon as possible" so that Moscow can restore frayed relations with democratic reformers and regain an element of trust with Chechens to avoid a prolonged guerrilla war.

"I hope he will move to re-engage himself with his reformers," Boris N. Yeltsin said.

He hinted over the weekend that U.S. economic aid for Russia, apart from assistance for dismantling nuclear weapons, could be in jeopardy if Mr. Yeltsin did not, as Mr. Christopher put it, "get back on the reform track."

His comments seemed more pointed than those of President Bill Clinton, who signaled in a speech last week that Washington, though troubled by the assault on Chechnya, was not ready to abandon support for Mr. Yeltsin so long as he continued to pursue democracy.

On Sunday, Mr. Christopher expanded on that theme with sharper rhetoric. Although he said Washington believed Mr. Yeltsin remained in charge in Moscow and praised him for refraining from undermining Russia's free press and open debate in the Parliament, the secretary spoke more gravely of the risks.

"This situation has gone very badly for Russia," Mr. Christopher said. "It's been a serious setback for market reform, for democracy reform in Russia."

The "lodestar" of U.S. policy, he said, will be whether movement toward democracy and a market economy continued.

"We'll continue to support President Yeltsin as long as he is moving in the right direction," the secretary said.

Accordingly, Mr. Christopher outlined the thrust of the message he will deliver to Mr. Kozirev. "I'll be urging him to stop the war as soon as possible," he said. "I will be urging him to seek reconciliation in Chechnya, to take into account the attitudes of the Chechen people."

He added: "If they don't seek reconciliation, if they don't find a way to take into account the views of the people of Chechnya, then I think they're going to have a guerrilla problem for some time."

Although he still characterized Mr. Yeltsin as a reformer, Mr. Christopher warned Moscow against muzzling the press or free debate in the State Duma, the lower house of Parliament.

"I think we would regard that as very See YELTSIN, Page 4

New Congress, but Old-Fashioned Debate

By Adam Clymer
New York Times Service

WASHINGTON — "Congressional reform" may be the most overused oxymoron since "loyal opposition," but there has been a staggering amount of change on Capitol Hill in the less than two weeks since the 104th Congress convened.

It is not just the new rules, or a new agenda in which cutting welfare replaces expanding health care. It is not even that Republicans are in charge of both houses. After all, it has been only 40 years since that last happened.

More dramatic, the Senate and the House have voted on bills in January. Subcommittees have met on Fridays. Three members of the House have been made chairmen despite lack of seniority.

Still, governing is harder than making campaign promises. And whatever the rules of procedure, Congress remains complicated and inherently disordered. So the new Republican majorities are already finding that the path to the smaller federal government they promised will not be the perfectly smooth highway their talk-show-host friends expected.

It is not so much that the Senate is still slow, that the minority party (even if its name has changed) still calls for votes that it expects to lose but that might make good television commercials against incumbents, or that members of Congress continue to talk too much.

Rather, what matters most is that there are still legislative disagreements, even among Republicans.

They quarrel about what kind of term-limits measure to put before the House. They debate the best route to saving money on welfare and getting recipients off the dole. They speak of abandoning one part of their balanced-budget amendment.

On the vigilant and suspicious right, it is possible to read those developments as "sellouts" or "waffling" and as indications that the new Republican leaders are more interested in incumbency than in ideology.

Viewed from the implausibly hopeful left, they can even be taken as evidence that the revolution is in deep trouble.

And with commentators grasping to be first to identify the single salient incident that will encapsulate the Time of Newt,

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In California, Flood Lessons Unlearned

By Timothy Egan
New York Times Service

RIO LINDA, California — With more than half of California declared a disaster area after the punch of a 10-day storm, water experts are questioning why this state remains stuck in a predictable cycle of devastation in a known flood area, followed by federal relief, then rebuilding in the same places.

Over the weekend, the storms for the most part started to recede after causing 11 deaths and about \$300 million in damage.

It was no surprise to anyone who has lived in Northern California for any length of time that the flat land near the Sacramento River and its tributaries had

flooded once again. The bigger surprise, say some water experts, is that new housing developments continue to rise in the flood zone and that the U.S. government continues to indirectly encourage building there.

Some of the worst flooding was in Rio Linda, a community just north of Sacramento, where a tiny channel called Dry Creek swelled into a lake, covering hundreds of houses.

"Every time they build another home up north of here, the water comes down here on top of us," said Tom Ray, manager of Rio Linda's water district.

Parts of Rio Linda and other areas around the Sacramento River have flooded so often in the last century — each time leading to more costly flood-control measures financed by taxpayers — that Mr. Ray has now reached a somewhat radical conclusion for a water district manager.

"The only way you can get these people out of the flood zone is to buy them out," he said. "For the taxpayers, that would be the best deal."

That is the same conclusion reached last year by a panel formed after the Mississippi River floods of 1993, the worst in a century.

The Sacramento River system is the

most heavily engineered in the United States, except for the Mississippi. For more than a century, federal policy has been to build up a series of dams and levees, intended to keep the water from spilling over into its natural flood plain.

But on the Mississippi, much of that policy was declared a failure after the 1993 flood. The river has since been given room to reclaim some of its natural channel, about 35,000 acres (14,000 hectares), and more than 7,000 people have been moved, permanently, to higher ground.

California, by contrast, has continued in the opposite direction, water experts say.

The Sacramento is one of the biggest beneficiaries of 70 years of federal dam and levee-building, at a cost of \$25 billion nationwide. Despite the massive federal investment, per-capita flood losses, adjusted for inflation, have more than doubled since 1951, studies have shown, and much of that loss has been in California. Though the state usually suffers more from too little moisture than from too much, when it rains in California, it pours in near-biblical proportions.

The lessons from the Mississippi flood left a relief and cleanup bill of \$6 billion.

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ARMED FUNERAL — Armed backers of Joe Slovo, the South African Communist leader, brandishing weapons at his funeral Sunday in Soweto.

Beirut Airport Shut by Israeli Attack

BEIRUT (Reuters) — Israeli planes attacked a Palestinian guerrilla base near Beirut on Sunday, forcing the city's airport to close for an hour.

Airport authorities said they shut the airport at 1400 GMT and diverted incoming flights after Israeli planes rocketed targets in the hills 5 kilometers to the south. Palestinian and Lebanese security sources said three people were killed in the attack on the base. It was

not immediately known if the dead were guerrillas or civilians.

Three international flights, an Alitalia scheduled flight from Rome bringing Italy's new ambassador to Lebanon and two flights of Lebanon's Middle East Airlines from London and Geneva, were diverted to Larnaca in Cyprus, airport authorities said.

Classified Advertising

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Extremists Join Rebels' Bid for Algerian Peace

By Alan Riding
New York Times Service

PARIS — Algeria's Armed Islamic Group, the most radical of the militant groups fighting to turn Algeria into an Islamic state, said Sunday that it was ready to end its insurgency if the Algerian government accepts a peace plan proposed by opposition parties on Friday.

But the group, which claimed responsibility for the hijacking of a French airliner last month, added its own conditions, including punishment for generals leading the battle against Islamic militants, a ban on Communist and atheist political parties and the release of two of its leaders.

There was no immediate response from Algiers to the statement, released in Paris. But on Friday, the Algerians dismissed the proposals made by the other opposition parties. On Sunday, the Algerian interior minister said they were endorsing "terrorism."

The group's statement marks the first time it has signaled willingness to contemplate a negotiated end to a civil war that has taken some 30,000 lives since it erupted three years ago. Last year, the group denounced the broad-based Islamic Salvation Front for considering talks with the army-backed regime.

Experts in North African affairs said the group had still showed no sign of hacking off from its goal of creating an Iranian-style Islamic republic in Algeria, but they said that its conciliatory response to the main opposition's peace plan suggested it wished to avoid total isolation.

After a week of talks in Rome, held under the auspices of the Saint-Edigio Roman Catholic religious community, seven

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Q & A: TV Quotas Aim to Encourage European Works

Jacques Toubon, the French culture minister, is lobbying for a tightening of television quotas in the European Union. He spoke in Paris last week with Tom Buerkle of the International Herald Tribune.

Q. What is your objective in the revision of the European directive "Television Without Borders"?

A. We have seen that services are developing, notably thematic channels, with a specialized service for a specialized audience. What is our principal objective? It's to encourage the production of the European programming industry for these channels, and not to control the programming of these channels in a quantitative way.

Our objective for these services clearly requires investment obligations that encourage the development of a European programming industry, making programs and permitting the showing of these European works on these channels.

For general channels, the method of broadcasting quotas requiring the showing of a certain proportion of European works seems to us to be the most appropriate.

Q. Commission figures show that the majority of general channels are showing far more than 50 percent European works. Why revise the directive to make quotas mandatory?

A. We know that in the future general channels will tend to see their market share decline compared with thematic channels. Secondly, private industry, including broadcasters and media groups, will step up pressure to not apply broadcasting quotas. And finally, the American programming industry will apply more and more pressure.

Q. If the aim is to stimulate production, and if investment obligations are good enough for thematic channels, why not for general channels?

A. Because the volumes are completely different. We have done a simulation. TF1 broadcasts 2,600 hours of European production. If we apply the investment obligation that has been proposed, the obligation would be only 600 hours.

Q. Figures show that European viewers have a great preference for European works. There is more cooperation between the U.S. and European industry. Won't this work on its own? People say your position will deter American investment.

A. That position is a form of blackmail. If Turner, Disney or others think it is in their interest to invest in European film production, and notably films with a European spirit made by European talent, they will do it. If they think it's not in their interest, they won't do it. And it's perfectly clear that's the position they'll take regardless of the regulatory situation.

My position is simply that which the United States adopts when it prohibits foreigners from its film or television industry. What is the justification to prohibit a French director or technician to come work on a film in California or New York? The justification is that the United States judges it to be in the public interest to protect the jobs of American cinema professionals.

Q. In your paper for the G-7 meeting on the information superhighway, you talked of imposing obligations without specifying. Do you want to, and how would you, impose obligations on technologies where the viewer will be in control?

A. Right now, we don't have a precise proposal. What we seek from the G-7 is that cultural, social and political needs be taken into account even if the infrastructure and the technologies obey free-market rules.

What we know simply is that the technology exists. In contrast to what is said — that with new technologies you can't control anything — the opposite is true. Digitalization and all the techniques coming from information and telecommunications technology allow controls much more easily.

Q. Do you mean to say that one can't leave to the consumer the decision on what to watch?

A. Yes. We can't leave it to the consumer alone, and we can't leave it to the broadcaster alone.

Q. That's not a form of censorship?

A. No, it's not censorship. Everyone admits that we must have laws to protect minors and morals and guard against racism or xenophobia. That exists. It is clear that the role that the information superhighway can play in revolutionizing our lives, individually and collectively, implies that political authorities take a stance. One can't imagine that the information superhighway will be set up in the United States without consumers' groups and political lobbies having a word to say. That would surprise me greatly.

UN Bosnia Truce Under Fresh Pressure



A bus awaiting permission to leave Sarajevo as Bosnian Serbs kept the roads closed.

Santer Looks for Ways to End Standoff Over EU Commission

By Tom Buerkle

International Herald Tribune

BRUSSELS — Seeking to resolve a European institutional standoff without undermining his own authority, Jacques Santer on Sunday considered making political gestures that would appease the European Parliament and still keep his team of commissioner designates intact.

Aides and commission officials acknowledged that Mr. Santer would have to address Parliament's concerns to assure approval of his commission, the European Union's executive agency, when members vote on Wednesday. But they urged Mr. Santer to resist demands that he reassign portfolios or even jettison some nominees, as several Parliament committees requested last week after hearings with the candidates.

"The broad attitude of the commission should be, and will be, of holding ground," a commission official predicted. This week's session in Strasbourg, France, marks the first

time the recently empowered Parliament will exercise its power of approval over the 20-member commission. Klaus Hänsch, the chamber's president, and Pauline Green, leader of the dominant Socialist bloc, warned Mr. Santer not to take approval for granted in urging changes after committees rendered their critical opinions last week.

But officials on both sides were expecting approval for the simple reason that Mr. Santer and Parliament need each other as allies in the long process of developing EU institutions.

For the Luxembourg prime minister, who was widely criticized as a second-rate choice to replace Jacques Delors after Britain vetoed Prime Minister Jean-Luc Dehaene of Belgium, Parliament's approval is essential to establishing his legitimacy. Indeed, Mr. Santer agreed last summer to have commission nominees appear before parliamentary committees to ensure his own narrow approval by the chamber in a legally non-binding but politically important vote.

Parliament has used the hearings to press for deeper EU integration and greater power of its own, including the right to approve or reject individual commission nominees in the future. But many members concede that rejection of the commission would be seen as irresponsible and put Parliament into open confrontation with national governments, which nominated the commission and which are increasingly seeking to take power back from EU institutions.

Mr. Santer has scheduled a meeting with his fellow nominees in Strasbourg on Monday to finalize his statement to Parliament the next day. Commission officials said he was likely to stress his commitment to development and equal opportunity, as well as close cooperation with Parliament generally.

"If he makes a political gesture to Parliament, it will be perceived as positive for him and the commission," one official said. But officials said any change in portfolios or personnel could damage his authority irreparably. "What would stop Parliament committees from demanding changes in six months' time?" the official said.

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WORLD BRIEFS

U.S. Sees China Rights Unimproved

BEIJING (Reuters) — Human rights in China have not improved over the last year despite a positive move in legal areas, John Shattuck, assistant secretary of state for democracy, human rights and labor, said at a news conference Sunday after two and a half days of talks with officials from ministries including Justice, Public Security and Health and the Family Planning Commission. He said he had been given no information about China's top dissident, Wei Jingsheng, other than that he was under administrative detention, a procedure that allows him to be held without being charged. Mr. Wei was freed on parole in September 1993 six months short of the end of a 15-year sentence but has been detained since last year.

Mr. Shattuck described as positive a state compensation law, which took effect Jan. 1 and allows citizens the right to sue and collect benefits from government officials. The law stipulates that victims of torture and other physical and mental violence are owed compensation.

Talks on Yemen-Saudi Crisis in Cairo

CAIRO (Reuters) — President Ali Abdullah Saleh of Yemen held talks here with President Hosni Mubarak on Sunday concerning Yemen's border crisis with Saudi Arabia, the Egyptian information minister, Sawat Sherif, said.

"The whole meeting was dedicated to the crisis on the border between Yemen and Saudi Arabia and to try to understand their points of view and work more to solve this crisis," Mr. Sherif told reporters after the hour-long meeting. General Saleh later left for Paris on a three-day visit.

Unconfirmed reports say Yemen and Saudi Arabia are reinforcing their troops along the disputed frontier, and a visit by senior Yemeni officials to Saudi Arabia has been delayed.

Iraqi Kurdish Factions Break Truce

ANKARA (AP) — A cease-fire between rival Iraqi Kurdish factions has been broken by fighting across northern Iraq, a Kurdish spokesman said Sunday.

There was no immediate word on the extent of the fighting or the precise number of casualties, but civilians and militiamen have been killed, said Safwan Dzirayee, a spokesman for one of the factions, the Kurdistan Democratic Party.

Ulster Police Patrol Catholic Districts

BELFAST (Reuters) — Northern Ireland's predominantly Protestant police force patrolled Roman Catholic republican strongholds in Belfast on Sunday without British military protection for the first time in 25 years.

Six-member police teams paced narrow streets and housing developments, once arenas for running battles and bomb and bullet attacks. Discarding flak jackets and heavy weapons, they wore holstered pistols and carried clipboards as they made "house calls" about car thefts and burglaries.

Cease-fires five months ago by Irish Republican Army guerrillas and later by their pro-British Protestant foes created a peace climate after armed struggles in the British province claimed more than 3,000 lives over a quarter-century.

Dini Works to Form Cabinet in Italy

ROME (AP) — Working under a self-imposed deadline, the prime minister-designate, Lamberto Dini, raced Sunday to build the core of a politically neutral government whose first task may be tackling the country's staggering budget problems.

Nominated Friday, Dini succeeded Silvio Berlusconi, Mr. Dini promised to quickly assemble a cabinet of nonpartisan experts who could hopefully unite the bickering Parliament. His selections, which could come as early as Tuesday, must be approved by Parliament. Serious disputes loom on whether Mr. Dini should lead a full-fledged government or an interim administration.

U.S. Airlines in Pacific Ban Aerosols for Security

The Associated Press

WASHINGTON — Federal aviation officials tightened security on U.S. planes serving East Asia on Sunday, imposing a ban on carry-on aerosols and most liquids.

The stepped-up security came after two U.S. jetliners flying over the Pacific were ordered down in bomb scares linked to protests over Pope John Paul II's Asian tour.

A United Airlines flight from Tokyo to Honolulu was ordered back to Japan and one from Los Angeles to Hong Kong was instructed to land in Taipei, officials in Tokyo and Taipei reported Sunday. Both incidents occurred late Saturday. No bombs were found.

Concern over the safety of American airlines flying the Pacific increased after Philippine police arrested two Arabs and seized bomb-making equipment in a raid Jan. 6 on an apartment near the Vatican ambassador's residence, where the Pope had been staying.

U.S. authorities are concerned that a "liquid bomb," virtually impossible to detect, might be smuggled aboard a plane, the sources said.

Sources in Manila said that, effective immediately, the U.S. aviation agency had banned the loading of aerosols, bottled gels and containers of liquids holding more than 30 milliliters (1 fluid ounce) on U.S. airlines departing Manila. Baby formula was excluded from the limits.

A spokesman for United said the airline had stepped up screening of passengers, carry-on baggage, checked baggage, and cargo. "We are experiencing delays to some of our flights to and from East Asian locations because of enhanced but time-consuming security measures," the spokesman said.

TRAVEL UPDATE

Hanoi Faults Its Tourist Promotion

HANOI (AFP) — Only a small number of the foreign tourists who visit Vietnam make a return trip to the country because of Hanoi's poor overseas marketing drive, the trade union newspaper Lao Dong said Sunday.

"The number of foreign guests who come to Vietnam a second time occupies just about 10 percent of the total, because of Vietnam's backward tourism marketing strategy," Nguyen Nhu Tho, the deputy chairman for tourism, was quoted as saying.

More than a million overseas tourists visited Vietnam in 1994. The government wants to boost that to 2 million by the year 2000, but the industry suffers from a shortage of quality hotel space and poor transportation infrastructure.

Delta Airlines and All Nippon Airways are to become partners in the Asian frequent-flyer program called Passages. Also joining are Diners Club and Singapore Telecommunications. (Bloomberg)

The number of Japanese traveling abroad is expected to rise for the fourth straight year in 1995 to 14.5 million people, mainly due to travel discounts in effect since the fall. (Reuters)

The U.S. government is warning Americans in Thailand of possible reprisal attacks in three northern provinces over the U.S.-aided arrest there of nine men accused in connection with the heroin traffic. (AP)

India and Brunei have signed an air traffic agreement, opening their airports to commercial flights by their national carriers, the Press Trust of India said. (Reuters)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Japan, Puerto Rico, Sri Lanka, United States.

TUESDAY: Mauritius.

THURSDAY: Ethiopia, Georgia.

FRIDAY: Guinea-Bissau, Mali.

SATURDAY: Barbados, Dominican Republic.

Sources: J.P. Morgan, Reuters.

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Herald Tribune

Judge Says 2 Simpson Jurors Risk Dismissal

to be directed an investigation of

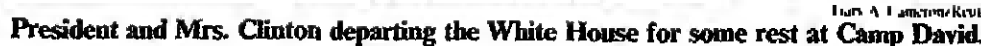
The woman juror's ability to serve was attacked by the defense after it learned that she may not have been fully forthcoming about her own experiences with domestic violence. Such abuse may be an important part of the Simpson case because prosecutors allege that long-term physical and emotional vio-

Ostensibly about whether defense attorneys should be allowed to question a police officer regarding his alleged use of the so-called "n-word," the exchange quickly escalated into the most highly charged courtroom episode of the trial.

■ **DNA Analysis of Blood Spot**
A blood spot found in Mr. Simpson's white Ford Bronco shows a mixture of DNA from Mr. Simpson and his former wife and Mr. Goldman. Reuters quoted a Newsweek report in its upcoming issue as saying:
Quoting an unidentified source, the newsweekly said DNA analysis showed that virtually all the blood in the car matched Mr. Simpson's, with the exception of the one spot.

From her tribulations with the Whitewater controversy to her central role in the health-care debate, her public image has suffered to the point where she ends the second year of the

She wants to be in the middle of the debate, making her case.



"The U.S. is anxious to move to put a UN face on this operation, but unless the situation in

reported.
[“The decision to recommend that a safe and secure environment be turned over to the United Nations will be made by

To defuse congressional objections to the command structure, an American, Major General Joseph W. Kinzer, will

Budget Amendment Dissent

But the issue resurfaced with revelations that the Georgia Republican met Mr. Murdoch on Nov. 28, and that the media magnate was accompanied by a top lobbyist. —AP

Despite the American Bar Association's longtime opposition to advertising by lawyers, the association's committee on advertising now says such ads help poor people find legal aid and should not be regulated too harshly. The committee found that "one in every five low-income households who have used the services of a lawyer found that lawyer through some form of advertising." Legal advertising was prohibited by all 50 states

How does Sophia Loren, at 60, keep slim? "No secrets," she told Bob Thomas of The Associated Press. "I don't do anything in particular. I exercise a little bit. I am a little bit careful about food, like everybody else. You let yourself go, it's bad. Still, I love pasta. I love bread, I love to eat. It makes me feel very good when I do."

Why did Fidelity Investments, the world's largest mutual fund company, cancel a year-end payment of \$4.32 a share to shareholders in the Magellan Fund? Because, the company says, an accountant mistakenly omitted a minus sign while doing a tax calculation, turning a \$1.3 billion loss into a \$1.3 billion gain. The company declined to identify the accountant or say whether he or she was still on the payroll. "To some," The Washington Post commented, "the mere fact that a lonely pencil pusher had wreaked such havoc was almost endearing." John Coffee, a professor of securities law at Columbia University law school, said it was almost Dickensian: "Somewhere up there, Bob Cratchit is still adding up figures."

● Air-traffic controllers warned a small Cessna plane to use caution, turn right and continue holding in its position seconds before a TWA jet collided with it on a runway in

agreed to examine whether some of their recommendations show liberal bias, slight well-known American figures or marginalize Western civilization. (IVP)

November had turned up only nine unauthorized weapons.

the challenges ahead. "The Haitian government right now can walk or chew gum, but it's not good at doing both yet," said a

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Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Resolve the Peso Panic

Bill Clinton is right to use the enormous resources of the United States to help Mexico, and Congress is right to support him. A financial panic is like a fire burning out of control, unpredictable in its future direction and victims. By promising loan guarantees greater than any imaginable need, the United States is holding down the actual damage to Mexico and to other economies that this panic might threaten.

There are risks involved in any such undertaking, and it is fair to ask that in return for the guarantees Mexico impose the necessary discipline in its own affairs. But in fact it has been modernizing its economy and opening its markets to world competition. The pain caused by the falling peso is going to be used as a reason for retreat by all the people in Mexico who want to return to subsidies and protectionism. The guarantees may make it easier for the Mexican government to fight such a reversal. That has to be the hope. The Mexicans are on the right track, and the one great condition for American help should be that they stay on it.

The standard conditions for international economic support usually begin with balancing the budget and controlling inflation. That is exactly what Mexico has been doing, with considerable success. In the mid-1980s Mexico's budget deficit was, in proportion to the size of its economy, several times as large as that of the United States. But the Mexican government has pushed its budget into balance—while, incidentally, American politicians pleaded that in their much richer country, anything equally forceful and decisive was impossible. Mexico has brought its inflation rate under control—

and that is related to the present upheaval.

As part of the policy to keep prices stable, the government had linked the peso's exchange rate tightly to the dollar. But because inflation has been higher in Mexico than that of the border, the peso became gradually overvalued. That produced a big trade deficit, but it was being financed by an inflow of investment. The whole process required a high degree of confidence among investors, and that was the first casualty of the peso's sudden drop. Now Mexico cannot finance its trade deficit. So it needs the loans.

This kind of financial disruption does not tell you much about the strength and growth of the underlying economy. The United States went through a succession of panics in the years before World War I, when its industry was growing fast. But the fall of the peso is going to mean a tidal wave of inflation in Mexico, aggravating all the present social tensions.

More broadly, the Mexican panic is a warning to all countries which depend on heavy flows of foreign investment to float big trade deficits and to support their currencies — and the prime example is the United States, which currently requires about \$150 billion a year of foreign money to balance its trade deficit. The Mexican affair is making foreign lenders nervous, and the dollar has slipped downward a little against the Japanese yen and the most reliable currencies. It is not only the Mexicans and their peso that have an urgent interest in bringing this currency crisis to a quick and serene end.

—THE WASHINGTON POST.

Keep the Iraq Sanctions

The United Nations Security Council was right not to ease economic sanctions against Iraq last week. France and Russia pushed for relaxation and the United States and Britain resisted. While Iraq has inched closer to compliance with UN strictures on weapons of mass destruction and the means to make them, it has not yet crossed the goal line.

The case for maintaining sanctions is clear. UN resolutions require Iraq to do more than destroy its Scud missiles and chemical arms before it can resume exporting oil. It must allow UN monitoring of facilities capable of making nuclear, chemical and biological arms and missiles, and disclose the sources of materials used in their manufacture. A new report by the UN inspectors shows that Baghdad has yet to come clean.

The report credits Iraq with opening access to all suspect sites since June and helping to inventory and tag equipment to prevent its diversion to weapons work. Iraq has allowed monitoring gear such as cameras, sensors, air-sampling devices and flow meters to be installed at plants, and has built a verification center in Baghdad linking the sensors at remote sites.

Yet important requirements remain unmet. Iraq has impeded monitoring of biological arms-making by failing to identify all sites, material and equipment used for that purpose. Information pro-

vided on how it obtained equipment and materials to manufacture weapons is inaccurate and incomplete. Identification of supplier networks is critical to plug proliferation leaks. Last September, moreover, Baghdad threatened to block the work of the inspectors, and it continues to protest surveillance flights essential to monitoring, which casts doubt on its commitment to continued compliance.

Unfortunately, Madeleine Albright, America's UN representative, obscured the case against easing sanctions. She presented the U.S. case to the Security Council by brandishing photographs of captured Kuwaiti arms still in Iraqi hands. Iraqi failure to return the arms or compensate Kuwait defies UN demands, but it is not a necessary condition for some easing of sanctions. By insisting on overly expansive requirements for Iraq to obtain relief, Washington would reduce Iraq's incentive to comply on arms.

France is eager to resume doing business with Baghdad and is rushing off to open a diplomatic office there. In its enthusiasm to ease sanctions, it too, would weaken UN resolve to get Iraqi compliance on arms. The United States, by wanting full sanctions to do too much, and France, by trying to ease them too quickly, may undermine the overriding goal — keeping Iraq disarmed and contained.

—THE NEW YORK TIMES.

Arms Deals to Watch

The arrival in Alabama not long ago of a mammoth Russian cargo plane — not exactly a routine sight at Huntsville International Airport — gave away some of the secrecy cloaking Pentagon efforts to obtain advanced Russian military hardware in the wake of the Cold War. It is an expensive practice with worthy intentions that must be carefully monitored to ensure that deals made largely outside public view are clean and in the national interest, not just the interest of favored friends of the Pentagon.

The plane carried components of a sophisticated Russian air defense system that is considered equal if not superior to the Patriot missile system used by U.S. forces in the Gulf War. The Russian system was sold to BDM International, an American company acting on behalf of the Pentagon, by Belarus, one of several countries eager to collect hard currency in exchange for advanced military equipment left in their possession when the Soviet Union disintegrated.

The acquisition of Russian weapons, handled with considerable success by the CIA during the Cold War, was initiated so that the Pentagon could test the equipment and develop ways to defeat it in battle. The idea still makes sense because so much Russian hardware was transferred over the years to countries like Iraq, Libya and North Korea, and much more is now available to anyone for the right price at military garage sales in the former Soviet republics.

The catch is that the murky world of

arms dealers is not an easy place to enforce pristine business practices and prevent millions of dollars in public funds from financing payoffs, uncompetitive deals or unreasonable profits. It becomes even harder when the business is conducted in secret, essentially as a subcontracted covert operation, by companies with close ties to the Defense Department. If Congress and the Pentagon are going to underwrite companies and private operators, they must make sure the money is properly spent.

In the case of the Russian air defense system, no one has suggested that BDM International did anything improper, but some competitors have complained that the Pentagon may have favored the company because its chairman is Frank Carlucci, a former defense secretary.

BDM is owned by the Carlyle Group, an investment business whose principals include a number of past government officials, including Mr. Carlucci and James Baker, the former secretary of state. Most of the companies competing with BDM International have their own roster of retired Pentagon officials.

Whatever the Pentagon learns from the Russian system must be shared with all U.S. companies developing or manufacturing similar air defense weapons. Any temptation to share information only with Raytheon, maker of the Patriot, should be resisted. The Pentagon's inspector general, as well as the Senate and House Armed Services Committees, should keep close watch on these deals.

—THE NEW YORK TIMES.

Operation Peso Shield Requires International Follow-Up

By Jim Hoagland

WASHINGTON — Think of it as Operation Peso Shield. By agreeing to defend Mexico's currency and its ability to import U.S. goods, Bill Clinton puts his presidency on the line in a foreign crisis much as George Bush did when he dispatched troops to Saudi Arabia in the summer of 1990.

President Clinton has deployed dollars instead of soldiers. That difference, and others, obviously separate U.S. financial action on Mexico from the Bush military response to Iraq's invasion of Kuwait. But Mr. Clinton has correctly defined the crisis in Mexico as a "strategic" turning point for his administration.

He must act urgently and convincingly to preserve an ally whose collapse would be economically and politically disastrous. And he probably will have to up the ante significantly before he is through.

For President Bush, the Desert Shield deployment of 230,000 troops to protect the Saudi royal family had to be boosted to Operation Desert Storm to knock Saddam Hussein out of Kuwait. Similarly, Mr. Clinton's opening moves

in the Mexican emergency to stop runs on the peso are unlikely to be enough to deal with the underlying global financial and trade upheaval that Mexico foreshadows.

There is rough political justice in this administration being grabbed by the throat by an emerging global financial crisis. Throughout his 1992 campaign, Mr. Clinton argued that he could handle the global economy much better than could that obsolete Cold Warrior George Bush. Mr. Clinton's treasury secretary, it was frequently said, would be a far more important figure in world history than his defense secretary or secretary of state.

Lloyd Bentsen did little to justify such predictions or to restore American leadership in the global economy. He concentrated instead on reassuring Congress and financial markets about his youthful president and in clinching the Bush-initiated GATT and NAFTA treaties. His retirement last month coincided with the Republican takeover of

the domestic economic agenda.

Robert Rubin, who replaces Mr. Bentsen at Treasury after coordinating economic policy in the White House, will play Colin Powell in Operation Peso Shield. Mr. Rubin must tell the president how much is enough to overwhelm an enemy much more diffuse than Saddam — the portfolio managers who bailed out of Mexico in panic in December and the currency speculators who bailed in as the peso shed nearly 40 percent of its value against the dollar, and Mexican stocks plummeted.

Mr. Rubin's initial response was that of a general fighting an old war. The United States created an international line of credit of \$18 billion — a bit more than British Prime Minister John Major spent in an afternoon trying unsuccessfully to stem a run on the pound a few years ago.

The skeptical market response illustrated how economic fundamentals have changed. New technology and elimination of national barriers to capital movement

combine to allow billions of dollars to be whipped around the globe in minutes if not seconds. Fearful of a general stampede, investors rushed to dump stocks in Brazil, Argentina and other "big emerging markets."

The ripples spread to Hong Kong, nervous over reports that the Chinese leader Deng Xiaoping is near death, and reinforced the skittishness of investors pulling back from Russian and East European bonds because of the war in Chechnya.

Mr. Rubin countered on Jan. 13 with new promises of loan guarantees for Mexico estimated to total \$40 billion. He defends the peso and Mr. Clinton's credibility, which risks severe damage if a Mexican devaluation predicted by Ross Perot derails the free trade agreement that Bill Clinton pushed. Mr. Rubin is metaphorically now deep in the Saudi desert, waiting to see what happens just across the border.

How does the Clinton administration go on the offensive when the time comes? Two initial thoughts:

U.S. leadership in global monetary affairs must be reasserted after a six-year interregnum. Mr. Rubin and Fed Chairman Alan Greenspan should take the lead in assembling an international central bank war chest of \$100 billion or more that can be quickly mobilized in a crisis. Only the monetary equivalent of General Powell's "overwhelming force" doctrine can quell modern market speculation.

And Washington, fixated on NAFTA-like trade deals to open foreign markets for U.S. goods and services, should also push for international rules to cover capital markets and investment flows. Rules and official oversight for stocks, bonds and other securities developed in the United States and Europe after the Great Depression should now be copied by international agreement for the world.

Without these global frameworks, a solution to Mexico's peso problem will be little more than a quick sista, a time of resting for the crises to come.

The Washington Post.

When Development Rages, Culture and Environment Can Burn

By Thomas L. Friedman

HANOI — Every morning I walk around the pagodas on Huan Kiem Lake, and every morning I stop by this little Vietnamese woman crouched on the sidewalk with her bathroom scale, and every morning I give her a dollar and weigh myself. That woman and her scale, probably her only possession in life, pretty well sum up Asia today: Everyone is in business, and whatever you've got, no matter how big or small — sell it, trade it, barter it, leverage it, rent it, but do something with it to turn a profit.

It is micro-entrepreneurs like my weight-watcher who are the foundation stones of what is called the "Asian economic miracle." The gains they have made here are astounding.

But there is another side to this Asian economic miracle. It is the story of what is being lost amid the gains.

While in Hong Kong I took a tour across the border to the Chinese boom town of Shenzhen. Shenzhen was a village 15 years ago; today it houses 2.5 million people. What I remember most about the tour were two buildings — one that I could barely see, and one that I could see all too well.

The one I could barely see was the

tallest building in Shenzhen. The air there is so polluted that from a distance all I could make out of this high-rise was a silhouette.

The building I could see perfectly well was the Eiffel Tower. The Chinese have built a good-size replica of it at a Shenzhen theme park.

The Shenzhen Eiffel Tower typifies the rootlessness of the Asian boom towns, where the ancient past has been bulldozed, the immediate past — communism — has been discredited and the present doesn't seem to have any tradition holding it together.

Throughout the tour our young Chinese guide stressed only two points. One was that people in northern China believed in education, but people in the south "only wanted to make money."

The other was, "We may not have time to see the Panda because of the traffic jams." At every tour stop, he ordered us to rush, rush, rush, or we would get stuck in the daylong Shenzhen gridlock and miss that panda.

The whole tour left me hankering for a

good dose from Mao's little red book — anything suggesting that a belief system was still alive, beyond pandas and profits.

Even some Asian armies have abandoned Clausewitz for Coopers & Lybrand. China's army now gets half its budget from its vast empire of corporations. Corruption is so widespread that the army newspaper recently warned troops against the "worship of money and disregard for military matters."

Vietnam, a latecomer to this free market, is struggling with how to catch up with the other Asians, without having its traditions, national solidarity and environment swept away. It looks like a losing battle. Because of a lack of funds, every Vietnamese ministry has been ordered to start businesses to support itself.

The Foreign Ministry press officer, who arranged all my appointments with officials, was so helpful. And when we were finished she said: "That will be \$25. Sorry, you know, market economy." The Ministry of Health sponsors ballroom dancing on Friday nights to raise cash. The Hanoi golf and country club is built on land leased from the army. If the Ho Chi Minh Trail existed today, it would be a toll road. But I fear this shortcut to capitalism

will haunt the Vietnamese. When ministries become the biggest entrepreneurs, it means there is no civil service upholding the public interest. That is why bridge collapses in Seoul and why 12-year-olds girls are trapped in factory fires in China. It was Asian capitalism talent, harnessed by a professional civil servant, that made Japan rich and stable.

Hanoi is the most charming big city left in Asia; people still play badminton on the sidewalks here every morning. But for how long? Hanoi is below sea level and the rampant-untidied building now taking place here is destroying the dikes and filling in the lakes needed to keep Hanoi afloat. When it rains, the city now floods terribly.

"Many years ago people said development means killing ourselves, but no one believed them," said N. T. Hieu, a young Vietnamese development expert. "In some ways, we believe it now. Ha Noi means the city between the rivers. But some people who come here from the countryside pronounce the N as L, and call it 'Ha Loi.' Ha Loi means 'flooded.' I hope in a few years Ha Noi will not be known as Ha Loi."

The New York Times.

Parties, Democracy's Bottom-to-Top Scaffolding, Are Falling Away

By William Pfaff

PARIS — The United States has led the way toward a new politics of personality, image and manipulative oversimplification. There is more resistance to this in Europe, where the parliamentary system makes it difficult for an individual to move into the political system laterally, so to speak. A politician has to start at the bottom and work up.

Hence parties in Europe have remained fairly strong — except in Italy, where they imploded under the pressure of corruption investigations and prosecutions.

That made it possible for Silvio Berlusconi to enter Italian politics at the top, although even he needed a party in order to do so, and used the promotional apparatus of his sports, industrial and television holdings to create his own party.

This could be called the party-as-fan-club, and may have set an unwelcome precedent. It celebrated Mr. Berlusconi's personality without troubling to provide a serious political program.

The Gaullist party in France was created for a single man, but survived him. However, over the years its influence and energy

have dwindled, as Charles de Gaulle's successors put the organization to their own use. Today the Gaullist (or neo-Gaullist) party is on the brink of rupture, finding itself with two rival presidential candidates, Edouard Balladur and Jacques Chirac.

Parties are very important because they are among the few institutions which bind top to bottom in a society. Because they no longer are doing this successfully, politics itself is changing. It has changed in America. In France, the sociologist Emmanuel Todd, in an analysis just published by the Fondation Saint-Simon in Paris, argues that politicians today are crucially unaware of how distant they have become from the mass of French society.

Thus the prime minister, Edouard Balladur, who leads in the polls for the presidential election to be held this spring, and the only Socialist thought to have had a chance to beat him, Jacques Delors, who announced in December that he would not be a candidate, possess an identical politico-sociological profile, according to Mr. Todd. One is conservative, the other socialist, but both are elite figures for whom the working class electorate shows little enthusiasm.

Mr. Todd's argument is that when the parties properly performed their function, working-class Gaullists and intellectual Gaullists worked side by side in party organizations and conventions, and the people at the top knew what people at the bottom thought about the problems of the country.

The Communist Party put together workers, middle-class schoolteachers and Paris intellectuals. The Socialist Party did the same thing on a smaller scale. The Catholic Church — another of society's "vertical" institutions, now much weakened in France — had big industrialists as members, the professional middle classes, and also peasants and working people. National service (the draft) also put everyone together for a year or more.

In all these institutions, people in the lower half of the economic and social hierarchy understood that they were connected with people at the top who shared their values and ideas. These vertical institutions provided mediation and communication between bottom and top, top and bottom. Today the connection is broken, or at least badly damaged. French political leaders on both right and left take for granted an interpretation of the country's problems which the workers do not share.

One such issue is European Union. The elites nearly all believe that Europe should become a federal union, as the 1992 Maastricht treaty proposed. However, when Maastricht was put to a vote in France (by President François Mitterrand, who thought the case for union would win overwhelmingly), it came within 2 percent of losing.

Economic policy is another crucial issue. Nearly the whole of the political elite in France, as in the United States, is committed to tight money, free markets, free trade, corporate "downsizing," the quest for fiscal reform.

The French are more concerned about the social consequences of this than America's political leaders. (Mr. Todd remarks that "in the United States there is an implicit but profound acceptance of inequality.")

However, policy in Paris, as in Washington, is made on the assumption that no defensible alternative to this policy exists, whatever the effect upon employment, wages and the individual voter's security.

It is possible that the electorate will abandon the elite on this issue, too. Mr. Todd notes that half the French electorate — by and large, the working-class electorate — still has not made up its mind for whom to vote in the forthcoming presidential election.

Americans can easily see in Mr. Todd's argument confirmation of

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One such issue is European Union. The elites nearly all believe that Europe should become a federal union, as the 1992 Maastricht treaty proposed. However, when Maastricht was put to a vote in France (by President François Mitterrand, who thought the case for union would win overwhelmingly), it came within 2 percent of losing.

Economic policy is another crucial issue. Nearly the whole of the political elite in France, as in the United States, is committed to tight money, free markets, free trade, corporate "downsizing," the quest for fiscal reform.

The French are more concerned about the social consequences of this than America's political leaders. (Mr. Todd remarks that "in the United States there is an implicit but profound acceptance of inequality.")

However, policy in Paris, as in Washington, is made on the assumption that no defensible alternative to this policy exists, whatever the effect upon employment, wages and the individual voter's security.

It is possible that the electorate will abandon the elite on this issue, too. Mr. Todd notes that half the French electorate — by and large, the working-class electorate — still has not made up its mind for whom to vote in the forthcoming presidential election.

Americans can easily see in Mr. Todd's argument confirmation of

what they already know about the decline — possibly the eventual disappearance — of the Democratic Party, where in recent years leadership assumptions and "culture" all but totally diverged from those of the white working class that used to be the party's electoral strength — leaving the party with the black working class, to be sure, which mostly doesn't vote.

This fracture between electorate and elites is the most important fact in democratic politics today. Where are the institutions that connect ordinary people to the country's leadership? The churches no longer do so. In America, the draft ended two decades ago, so the common experience of military service doesn't do it. Has the new Republican Party of Bob Dole and Newt Gingrich reconnected itself to the working-class electorate?

It has that electorate's favor — for the moment. But there is no structure, no institutional connection between top and bottom in the Republican Party, whose party workers and activists all come from the middle or upper class. Mr. Gingrich and his friends have only the pollsters and the image-makers to connect them to a mass American electorate that demonstrated in November just how alienated it feels, and how remote it thinks politicians are from the ordinary man's concerns.

But it is not just an American problem. It is an international phenomenon.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: President Resigns

PARIS — M. Casimir-Perier, says the *Figaro*, has suddenly resigned the Presidency of the Republic. In his official statement in the Senate and the Chamber of Deputies, M. Casimir-Perier proclaimed "the campaign of defamation against the army, the magistrature, Parliament and the head of State" and the continual "struggles between the Parliamentary regime and the public liberties" since his election, June 27 last.

The *Herald* says in an Editorial: M. Casimir-Perier retired defeated by Radicalism and its accomplice Socialism. The National Convention meets on Thursday (Jan. 17) to elect a new President.

1920: League Convenes

PARIS — The League of Nations will perform its first official acts

this morning by the selections of the commissions which, under the terms of the Treaty of Versailles, are to determine questions affecting the Sarre Valley and Dantzig. The League's initial session will be held at 10:30 in the Clock Room of the French Foreign Ministry.

1945: Reich Attacked

LONDON — The biggest aerial assault of the war by the combined striking power of the United States Air Force and the R. A. F. Bomber Command continued today with hundreds of bombers of both nations smashing targets in Germany. More than 6,000 Allied warplanes pounded the Reich, while over 600 Fortresses and Liberators flew into Germany to hit the rail junctions between the Wehrmacht's eastern and western fronts.

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George Price, New Yorker Cartoonist, Dies

By Glenn Collins
New York Times Service

NEW YORK — George Price, 93, a cartoonist whose eccentric comic visions of natural disasters, feuding spouses and the habits of a distinctively odd cast of characters were staples of The New Yorker magazine for nearly six decades, died on Thursday at Englewood Hospital in Englewood, New Jersey, after a brief illness.

Mr. Price was the last surviving member of the generation of artists who shaped the look of The New Yorker in its early years. He contributed more than 1,200 cartoons to the magazine since 1932, when his first "captioned drawing," the circumlocution for cartoon at the time, was accepted. It was in the early 1930s that Mr. Price and his friends William Steig and Charles Addams became mainstays of the magazine.

"George came to the magazine during an extraordinary period in the history of American cartoon art, when a real revolution was going on," said Lee Lorenz, art editor of The New Yorker.

He, Peter Arno, Charles Addams and others belonged to a new generation of cartoonists involved in the transition from the traditional illustrated anecdote — the standard-form "he-said-she-said" sort of thing — to the captioned and uncaptioned cartoon as we know it today.

The Price cartoon was as distinctive for its abstract line and geometric draftsmanship as it was for its curiosity shop of characters who were the antithesis of Mr. Arno's sophisticates.

Some of Mr. Price's most memorable cartoons are chronicles of the domestic

furies, like the one that shows a hard-hatted husband arriving in his living room after a day at work and announcing: "Honey! I'm home!" The deadpan response of his wife, in the kitchen, is, "Let heaven and nature sing."

Mr. Price could also find humor in disaster. One cartoon depicts a flood survivor coolly water-skiing behind his swift-floating house as an onlooker says, "I must admit I envy his philosophy."

Nancy Kelly, 73, Broadway Actress Who Also Starred in Films as a Child

NEW YORK (NYT) — Nancy Kelly, 73, an award-winning stage actress who also appeared in scores of films, died on Jan. 2 at her home in Bel Air, California, of diabetes-related illness, her family said.

Ms. Kelly started as a child model and successful child movie actress. She received high acclaim during the 1954-55 Broadway season when she appeared in Maxwell Anderson's play "The Bad Seed," playing a mother who realizes that her daughter (Patty McCormack) is a murderous psychotic and tries to atone for her crimes. Her performance won her a Tony Award.

Frederick Stagg, 99, British Diplomat, Author, and World War I Army Officer

PARIS (IHT) — Frederick Louis Stagg, 99, a former British diplomat and army officer, died on Jan. 5 in Sherborne, England, of complications from pneumonia.

A British army officer during World War I, he carried out several key missions for the Foreign Office, notably in Havana and Bogotá, during World War II. After

the war, he was an anthropological researcher at Harvard. An accomplished chef, his book "A Paris Cookbook" was published in 1975 by Harper & Row.

Sterling Dow, 91, a Leading Expert On Ancient Civilization in Greece

NEW YORK (NYT) — Sterling Dow, 91, a leading expert on Greek history of the fifth and fourth centuries B.C., died last Monday at Mount Auburn Hospital in Cambridge, Massachusetts, of congestive heart failure, said a grandson.

A scholar of history, the classics and archaeology at Harvard, Mr. Dow made discoveries that shed light on ancient Greek civilization and the Golden Age of Athens. During the early 1930s, he perfected a system of making paper impressions of ancient Greek inscriptions. The method allowed scholars to read inscriptions more completely and clearly than had previously been possible. At the same time, he discovered the kleroterion, a mechanical device that the Athenians had used to allot offices by random choice rather than through election. It helped to explain the nature of Athenian democracy.

Sir Alexander Gibson, 68, founder and former music director of the Scottish Opera Company, died in London of complications after a heart attack.

Karem Mahmoud, an Egyptian singer and actor whose love songs made him a star in the Arab world in the 1950s and 1960s, died Sunday after heart surgery in London. He was more than 70 years old.

El Niño Takes a Hand In West Coast Storms

New York Times Service

NEW YORK — El Niño is back and appears to be showing its hand in both the disastrous rainstorms in California and the mild winter the Northeast has experienced so far.

Named for the Christ child because it usually appears in the eastern tropical Pacific around Christmas, El Niño is a vast pool of unusually warm equatorial ocean water. The warmth sets off atmospheric events that rearrange air masses and redirect storm tracks.

One of El Niño's effects is to strengthen and add moisture to a subtropical jet stream that carries winter rainstorms from the Pacific Ocean onto the West Coast. As the jet stream, a swift high-altitude river of air, passes over the warmest of El Niño's waters near the international date line, it picks up extra water vapor and speeds up to more than 100 miles an hour (160 kilometers an hour).

At the same time, thunderstorms form, and their powerful air movements add energy to the jet stream. The result: an atmospheric conveyor belt bearing unusually potent rain systems to California.

Continuing across the South, the subtropical jet stream last week conveyed one of the California storms into the Gulf states, where it is now helping pump abnormally warm air into the Northeast.

The temperature reached a springlike 61 degrees Fahrenheit (16 centigrade) last Friday in New York City's Central Park, and the warmth is expected to last into this week.

CALIFORNIA: Storm's Lessons

Continued from Page 1

hydrologists and flood-control specialists say.

A new national flood policy, less reliant on dams and levees that channel water into fast-moving drainage systems, was proposed last year as part of a study on the Mississippi by a special committee led by Brigadier General Gerald E. Galloway, an army engineer.

Federal flood-control efforts would cost less and be more effective if they tried to move people out of risky low-lying areas, and allowed more water to drain off into natural reser-

voirs of flat, spongy land, the committee reported.

The suggested changes were sent to the White House more than seven months ago but have yet to be acted on. A bill that would have incorporated many of the changes was blocked by Republican-led resistance in the Senate last summer.

"Some of the most dramatic examples of what was wrong with American flood policy can now be seen here in California this week," said Philip B. Williams, a California hydrologist who advises cities on flood-control matters.

Hanoi May Pick Non-Communists

The Associated Press

HANOI — Talented people who are not members of the ruling Communist Party should be recruited for high-level government jobs, Prime Minister Vo Van Kiet has urged.

The government also announced a ban on new offices,

cars and interior decoration for government departments this year as an austerity measure.

"We should boldly recruit educated young men and not necessarily appoint party members to executive positions," the Friday issue of the Saigon Newscaster quoted Mr. Kiet as saying.

NIGHT: Night Life, Night Language, Sleep and Dreams

By A. Alvarez. Illustrated. 290 pages. \$23. W. W. Norton & Co.

Reviewed by Christopher Lehmann-Haupt

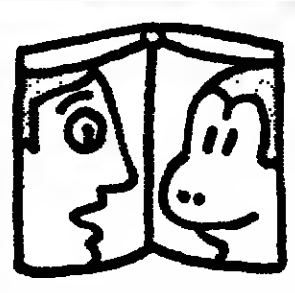
THINK of nighttime, then associate freely and you have some of the subjects covered by A. Alvarez in his new book, "Night: Night Life, Night Language, Sleep and Dreams." Darkness. Sleep. Dreams. Freud. Sex. Violence. Crime. Police. Fear. Ghosts. Fire. Electricity. Light. Alvarez writes about them all and more, and while such disparate subjects might have made for a disjointed book, the author engages us by doing early in "Night" what he did late in his best-known previous work, "The Savage God: A Study of Suicide," namely, introduce his personal involvement in his subject.

In the most compelling section of "Night," he tells us how as a child he was "terrified of the dark." He writes: "I no longer remember how I populated the darkness that made me sweat with fear when I was small. But I remember the fear

WHAT THEY'RE READING

• Etienne-Emile Baulieu, the biochemistry professor who created the controversial RU-486 "abortion pill," is reading "Ishmael" by Daniel Quinn.

"It's a brilliant story which weaves around a dialogue between a man and a gorilla about human destiny. It's a fascinating essay on humanity, a subject in which I'm very interested and, actually, I'm mad about gorillas too." (Marcelle Ruiz, IHT)



itself, particularly my fear of the darkness that shrouded the upper floor, where I slept — the dark at the top of the stairs."

Nor does he understand why exactly he was so afraid of the dark. He admits that he was "a disturbed, difficult and demanding child."

His parents were remote from him and his two sisters, so he was reared by a house full of servants, all women. This leads him to speculate that old-fashioned psychoanalysis would have attributed his fear of the dark to "fantasies of being castrated and annihilated," although he thinks that "blaming the women of the house is one

cheap explanation among many."

Whenever his parents were around, they fought, especially while the children were in bed, so night "was the time when adults showed their true natures." Yet Alvarez prefers to believe that fear of the dark is a vestige of a primitive time when the night really was a threat to humans, when perhaps we were stalked "by a malignant predator with a taste for human flesh."

In a matryshka-doll series of allusions, he quotes Bruce Chatwin in "The Songlines," citing Robert Brain's hypothesis in "The Hunters or the Hunted?" that there was once "a specialist killer of the primates" called dinofelis, "the false saber-tooth," a cat "less agile than a leopard or a cheetah but far more solidly built."

By such linking of ideas and books, Alvarez makes his way from his childhood fears to his grown-up fascination with sleep and night life. He visits a sleep laboratory in London and studies a man with the habit of violently rocking in his sleep.

He spends the night there and discovers that what feels like a restless night looks almost like insomnia to a machine that monitored people. Thinking about sleep leads him to the

subject of dreaming and on to Freud, Jung, psychoanalysis, romanticism, art, Coleridge, Gérard de Nerval, surrealism and automatic writing.

Some of his hopelessly witty. After writing about monsters like the cat-like dinofelis and Peter Benchley's white shark, he quotes a description of a creature with "cruel, penetrating" eyes that turns out to be one psychoanalyst's portrait of the superego.

His account of life before electricity brings out curious details: "When Michelangelo painted the Sistine Chapel, lying on his back on a rickety scaffold, he designed a kind of headband with a snub of candle stuck in it in order to see what he was doing."

And although much of what Alvarez explores is familiar, he does illuminate particulars like the mind's capacity to solve problems during sleep; the evolution of dream analysis from Freud's time to the present, and the phenomenon of hypnagogic hallucinations.

"Night" reminds us of things we take for granted these days. Alvarez points out that "illumination is one of the few 20th-century experiments that hasn't failed." He continues, "Now the times for sleep and for what you will have merged together, day shift and night shift are interchangeable, and night has become the continuation of day by other [electronic] means."

But, he adds, "We may have lost touch with night, but night has not lost touch with us. Even in the brilliant illumination of an electric city like Las Vegas, black night still creeps over our souls at a certain hour."

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

THE diagrammed deal presented this challenge to the South players: How should the declarer try to make 12 tricks in a heart contract? At one table, North-South climbed optimistically to six hearts as shown.

The opening one-club bid was strong and artificial, and the response of one no-trump showed four controls, which South could identify as two aces. The raise to three hearts hinted at extra values, which North did not have, but even so the leap to six hearts was over-aggressive.

South won the opening club lead with the king, cashed the king and ace of hearts with a happy result, and threw a spade and scored a trick in that suit, but eventually had to lose a diamond trick for down one.

A better plan at the second trick was to cash the king of hearts and follow with the king and ace of diamonds. That would reveal whether or not the queen was doubleton, and therefore the need to dispose of a diamond loser.

With the actual distribution, South would follow with a heart

to the ace, collecting the queen, and throw the diamond loser on the club ace. He would then succeed, as the cards lie, whether he ruffed a diamond to establish the jack or led a spade to the jack. In either case, dummy's remaining trump would be a crucial entry. East-West would then have had good reason to bemoan the fates that had permitted their opponents to make a slam that had about one chance in six to succeed.

NORTH			
♠ 754			
♥ A 64			
♦ J 853			
♣ A 7			
EAST			
♠ A Q 10 6			
♥ Q 8			
♦ Q 9 4			
♣ 10 8 8 2			
SOUTH (D)			
♠ K J 3			
♥ K J 7 5 3 2			
♦ A K 7			
♣ K			
East and West were vulnerable.			
The bidding:			
South	West	North	East
1♣	Pass	1NT	Pass
2♥	Pass	3♥	Pass
6♥	Pass	Pass	Pass
West led the club queen.			

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BANGLADESH MEANS BUSINESS

Close of trading (Friday, Jan. 13).

[illegible]

INTERNATIONAL CLASSIFIED

(Continued From Page 4)

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Year	Actual (%)	Projected (%)
1950	7	-
1960	8	-
1970	9	-
1980	10	-
1990	11	-
2000	12	12
2010	-	14
2020	-	16
2030	-	18
2040	-	19
2050	-	20

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Iran Plans to Expand Oil and Gas Reserves

NICOSIA — Iran plans to explore for more oil and gas to increase its already-huge reserves, the Iranian news agency IRNA quoted an official as saying.

The Oil Ministry's director general of planning, Kazem Vaziri-Hamaneh, said that one of the main goals of Iran's next five-year development plan, which starts in March, was to find new oil and gas reserves.

He also announced plans to privatize part of the country's energy industry.

Mr. Vaziri-Hamaneh said Iran hoped to add about 1 billion barrels of oil to its crude reserves. Its proven reserves are now estimated at 90.5 billion barrels.

Regarding natural gas, Mr. Vaziri-Hamaneh said that expansion of the South Pars gas

field would add about 24 million cubic meters of gas per day to Iran's production capacity.

In September, Iran awarded a \$900 million contract to develop the South Pars offshore gas field to a state-run Iranian company, Petroleum Development & Engineering Co. Iran has said the field has an estimated capacity of 3 trillion cubic meters.

Mr. Vaziri-Hamaneh said that sectors of the oil and petrochemical industry not barred from privatization by Iran's constitution would be turned over to the private sector.

He did not specify which sectors that involved, or when the change would take place.

Iran is a major world oil producer and has a daily output of around 3.6 million barrels. It also has a well-developed petrochemicals industry.

SHORT COVER

Miller Beer Setting Up in Taiwan

TAIPEI (AFP) — Miller Beer Co., an affiliate of Philip Morris Cos., will move its Asian headquarters from Japan to Taiwan. Local press reports said Sunday.

Miller will become the first international company to move its Asian headquarters here, the China Times quoted Liao Feng-min, Miller's Taiwan president, as saying. Since Taiwan lifted its ban on foreign cigarettes and alcoholic beverages in 1987, many foreign brands have been marketed here but the companies have only set up branch offices.

Bonn Weighs Bid for EBRD Offices

BONN (Reuters) — Germany is considering asking its European Union partners to move the headquarters of the European Bank for Reconstruction and Development from London to Bonn, a Finance Ministry spokesman said Sunday.

The spokesman said no official request had been made but that the possibility had been raised at a European Union meeting in Brussels.

For the Record

Continental Airlines Inc. plans to cut up to 4,000 jobs, or up to 10 percent of its work force, as part of its bid to attain profitability, Gordon Bethune, Continental's chief executive, said. (Reuters)

China Says Yuan Rise Could Slow Exports

HONG KONG — China said that export growth could slow this year as the country's high inflation rate takes its toll and as the yuan appreciates.

The warning came from officials at the Ministry of Foreign Trade and Economic Cooperation, the state-run China Daily paper reported Saturday.

"On the contrary, imports are about to gain steam to support the sustainable growth of our national economy," it quoted them as saying.

The officials made their comments after China released figures Friday showing that exports surged 31.9 percent last year to power the country to a trade surplus of \$5.3 billion, reversing the \$12.2 billion deficit recorded for 1993.

China's officially estimated 1994 inflation rate of 24.2 percent has reduced its international competitiveness in some industries, while the dollar has fallen to 8.51 yuan from 8.75 yuan at the beginning of 1994.

Separately, China's contracted foreign investment fell 38 percent, to \$69 billion last year, the first decline since 1989, according to preliminary figures cited by the China Daily. But a Ministry of Foreign Trade and Economic Cooperation official said the fall did not indicate cooling foreign investor interest in China.

The Week Ahead: World Economic Calendar, Jan. 16 - 20

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News

Asia-Pacific

- **Hong Kong** Third-quarter index of industrial production
- **India** Commerce Secretary Ram Brown of the United States and U.S. associates arrive in India for four-day visit.
- **Beijing** The White House Office of Science and Technology is expected to sign statement of cooperation in outer space with China.
- **Hong Kong** Fourth quarter provisional jobs data
- **Tokyo** Economic Planning Agency's monthly report: November machinery orders released.
- **Beijing** Talks between U.S. and Chinese officials begin over intellectual property rights and market access.
- **Hong Kong** December consumer price index released.
- **Bombay** India Trade Promotion Organization organizes "Tex-Style India '95," an exhibition of textiles.
- **Sydney** Microsoft chief Bill Gates gives public talks on his vision for personal computing in 1995 and beyond.
- **Tokyo** Diet to begin its 1995 ordinary session through June 18; December and 1994 crude steel production released; December electricity use.
- **Hong Kong** Leo Burnett, managing director for China's Dennis Wong, speaks to the American Chamber of Commerce about advertising in China.
- **Singapore** Global Entrepreneur Forum '95, an international conference of entrepreneurs with 3,000 delegates from 22 countries held.
- **Earnings expected:** Matrix Holdings.
- **Sydney** December merchandise imports; December consumer confidence index.
- **Tokyo** December and 1994 bankruptcies released; November revised industrial production numbers; December M2 money supply.
- **Hong Kong** A delegation from the National Committee of U.S.-China Relations to address the American Chamber of Commerce on the subject of "The Re-

gional Chinese Perspective on U.S. Economic Relations with China"

- **20 Tokyo** Quarterly economic report released by Bank of Japan
- **Hong Kong** Provisional Airport Authority chief executive, Hank Townsend, talks to the American Chamber of Commerce on the construction of Hong Kong's new international airport.
- **Earnings expected:** Bayside Holdings, China Light & Power Co.



Europe

- **Amsterdam** November industrial sales.
- **Frankfurt** December wholesale prices for western Germany; December producer price index; December M3.
- **Copenhagen** November consumer confidence.
- **London** December producer input and output prices and producer price index.
- **Rome** Third-quarter gross domestic product.
- **Amsterdam** November producer price index.
- **London** Confederation of British Industry December survey of distributive trades.
- **Paris** Third-quarter gross domestic product.
- **Amsterdam** October through December unemployment average.
- **Brussels** European Parliament votes to accept new European Commission headed by Jacques Santer.
- **London** December retail price index; December public sector borrowing cost; December unemployment.

- **Amsterdam** October to November industrial production; November retail sales.
- **Frankfurt** Bundesbank central council meeting.
- **London** December retail sales.
- **Paris** November trade balance.
- **London** December M4 and lending.
- **Paris** November industrial production; November manufacturing output; December final consumer price inflation.

Americas

- **U.S.** Martin Luther King Jr.'s birthday.
- **Earnings expected:** Archer-Daniels-Midland Co., BCT International Inc., Calsonic Inc., Global Village Communications Inc., Hilton Hotels Corp., Progress Software Corp., Rockwell International Corp.
- **Washington** The Federal Reserve Board reports December industrial production and capacity utilization.
- **Sacramento, California** Former Orange County Treasurer Robert Citron, former chief assistant Matthew Rube and Merrill Lynch broker Michael Starnerson are subpoenaed to appear before the state's Senate Special Committee on Local Government Investment to explain investment practices that led to the county's bankruptcy petition.
- **New York** Johnson Redbook research service releases its weekly survey of same-store sales.
- **Washington** American Petroleum Institute issues its weekly report on U.S. petroleum stocks, production, imports and refinery utilization.
- **Mexico City** The central bank announces results of its weekly auction of bonds.
- **Santiago** Government debt auction worth 12 million Unidad de Fomento (\$33.4 million) will be held.
- **Caracas** Finance Minister Julio Sosa Rodriguez to announce budget cuts equal 10 percent of this year's budget, reforms to the Capital Markets Law and plans to increase the domestic price of gasoline.

- **Rio de Janeiro** The central bank to offer 5.5 million 35-day central bank bonds.
- **Ottawa** December composite index.
- **Earnings expected:** Abbott Laboratories, Adaspec Inc., Alcan Aluminum Ltd., Alco Standard, Ballard Medical Products, Banc One Corp., Bi Inc., Chase Manhattan Corp., Chemical Banking Corp., Citicorp, First Chicago Corp., Corner Peripherals, Detection Systems Inc., Donnelly Corp., First Union Corp., General Public Utilities, Honeywell Inc., Intel Corp., LSI Logic Corp., NationsBank Corp., Sun Microsystems Inc., Tandy Brands Accessories Inc.

- **18 Washington** U.S. and Japan to resume framework talks on foreign investment in Japan. Through Jan. 20.
- **Washington** November business inventories.
- **Earnings expected:** American Electric Power, Ameritech Corp., AMR Corp., BankAmerica Corp., BMC Software Inc., Bose Cascade Corp., Bowler Inc., Briggs & Stratton, Carolina First Corp., Catalyst Semiconductor Inc., Oetelco Inc., Digital Equipment Corp., Eastbay Corp., Fleet Mortgage Group Inc., First Financial Group Inc., GenCorp Inc., Microsoft Corp., Morton International Inc., Norwest Corp., Proxim Inc., Republic New York Corp., Southern National Corp., Tardian Computers Inc., U.S. West Inc.
- **Washington** November import/export price indexes.
- **Philadelphia** Philadelphia Federal Reserve releases its monthly survey of economic activity for January.
- **Washington** Labor Department reports initial weekly state unemployment compensation insurance claims; Treasury Department reports weekly money supply; bank reserve data.
- **Washington** Mortgage Bankers Association of America releases its weekly report on mortgage applications.
- **Sao Paulo** Institute for Economic Research releases 30-day inflation rate.
- **Mexico City** Intel releases October industrial production levels.
- **Santiago** Second of twice weekly debt auctions by Chile's central bank.
- **Ottawa** November international trade report.

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By: The Chase Manhattan Bank, N.A.
London, Agent Bank
January 13, 1995

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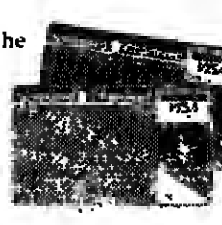
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(Continued on page 13)

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MONDAY SPORTS

NHL Teams Will Be Kept Hopping

By Helene Elliott
Los Angeles Times Service

NEW YORK — Where in the world did they come up with this new schedule for the National Hockey League?

Competition will be kept within the conference, to create interest in playoff races, but complicated by the fact there are 12 teams in the Western Conference and 14 in the East.

So teams in the Pacific Division will play four games against each of the six Central Division teams. They will play five against each of their division rivals, except one team they will face only four times.

In the Eastern Conference, Atlantic Division teams will play each of the other six in their division four times. They will face four Northeastern teams three times, and three Northeastern teams four times.

Northeast teams will play four games against each of their six division rivals.

four against three Atlantic teams and three against the other four Atlantic teams.

The greatest impact of a short season will be on strategy. There will be no time to cruise, no time for late playoff drives.

"My focus is going to be a playoff push, nothing more," said the Toronto Maple Leafs' coach, Pat Burns. "There'll be no chance to think of where we finish — just get in there and pray we're healthy and ready."

The regular season was extended 24 days, to May 3, so teams will play 48 games in 104 days.

The schedule features a number of quirk and grueling trips:

- The Boston Bruins have an eight-game, 16-day trip in February that will take them to Buffalo, Pittsburgh, Florida, Tampa Bay, Hartford, New Jersey, Quebec and Ottawa.
- The San Jose Sharks must play six games in 10 nights in February, winning through Dallas, Winnipeg, Toronto, Detroit, Edmonton and Vancouver.

• The Edmonton Oilers play two consecutive games in Dallas, on March 22-23.

• The Dallas Stars don't play at Reunion Arena until Jan. 30, and the New Jersey Devils don't play at the Meadowlands Arena until Jan. 31, making them the last teams to make their home debuts.

The Stars, who play games in Calgary on Feb. 18 and 30 and have a five-game, eight-day trip through Chicago, Vancouver, Los Angeles, Anaheim and St. Louis in April, have chartered a plane.

Eastern teams appear to have an advantage, simply because of geography.

"Our travel is always bad, anyway," said Tampa Bay's coach, Terry Crisp. "Nobody has moved Tampa on the map, so it won't be a factor. The only difference is that we'll be fighting for position with a lot of teams that will be traveling by bus half the time."

Baseball: Dueling Games?

The Associated Press

NEW YORK — Major league baseball's owners say they are prepared to play the 1995 World Series with replacements, and striking major leaguers say they are considering a barnstorming tour of all-star teams this spring.

"As difficult as it would be to conduct a World Series with replacement players, it would be something we would do," said the Boston Red Sox chief executive officer, John Harrington, chairman of management's operations committee.

Spring training is to start Feb. 16 with minor leaguers and replacement players. Management's executive council has adopted rules for replacements.

most of whom will earn \$628.42 per day during the season, the new major league minimum under the system owners implemented Dec. 23.

But a high official of the Baltimore Orioles, speaking on the condition he not be identified, said his team will refuse to play spring training games with replacements. The source said the Orioles will bring their minor leaguers to camp next month for workouts and possibly "B" games, but will not play exhibition games for which admission is charged.

That is expected to lead to a fight between the Orioles and baseball officials.

"We expect all of the clubs to meet their schedule obligations,"

the American League president, Gene Budig, said Saturday.

Union officials, without going into much detail, talked about the traveling all-star tours during meetings with players and agents last week.

"We've received at least two or three viable proposals," said the union lawyer, Lester Rich. There have been some very broad discussions that have progressed substantially.

A committee of players is studying the proposals, and Rich said the union's executive board will consider them when it next meets, probably the week of Jan. 30. The board also will consider whether to ask former major leaguers on Triple-A rosters not to play in replacement games.



The Rangers' Alexander Karpovitsky had time for the news on his exercise bike.

SCOREBOARD

NBA Standings

EASTERN CONFERENCE			
Team	W	L	Pct
Orlando	29	7	.806
New York	28	12	.705
Boston	24	16	.600
New Jersey	15	25	.375
Atlanta	11	32	.254
Philadelphia	10	33	.230
Washington	7	36	.163

WESTERN CONFERENCE			
Team	W	L	Pct
Cleveland	23	17	.577
Charlotte	22	18	.550
Indiana	19	21	.475
Chicago	18	22	.450
Atlanta	15	25	.375
Milwaukee	12	28	.300
Detroit	10	30	.250

MIDWEST CONFERENCE			
Team	W	L	Pct
Utah	25	13	.658
San Antonio	21	17	.553
Denver	18	20	.475
Dallas	17	21	.447
Minnesota	7	30	.188

PACIFIC DIVISION			
Team	W	L	Pct
Phoenix	21	17	.553
Seattle	21	17	.553
L.A. Lakers	21	17	.553
Sacramento	18	20	.475
Portland	18	20	.475
Golden State	18	20	.475
L.A. Clippers	5	29	.147

FRIDAY'S RESULTS			
New Jersey	91	76	118
Philadelphia	91	76	118
Atlanta	91	76	118
Washington	91	76	118
Orlando	91	76	118
Charlotte	91	76	118
Indiana	91	76	118
Chicago	91	76	118
Dallas	91	76	118
Minnesota	91	76	118

AP Top 25 College Football

Rank	Team	Record
1	Alabama	10-0
2	Georgia	10-0
3	Florida	9-1
4	Michigan	9-1
5	Ohio State	9-1
6	Nebraska	9-1
7	Illinois	9-1
8	Washington	9-1
9	Notre Dame	9-1
10	Stanford	9-1

SATURDAY'S RESULTS			
Alabama	34	24	Georgia
Georgia	34	24	Florida
Florida	34	24	Michigan
Michigan	34	24	Ohio State
Ohio State	34	24	Nebraska
Nebraska	34	24	Illinois
Illinois	34	24	Washington
Washington	34	24	Notre Dame
Notre Dame	34	24	Stanford
Stanford	34	24	Arizona

Other Major College Football

Team	Score	Opponent
Arkansas	34-24	Georgia Tech
Georgia Tech	34-24	Alabama
Alabama	34-24	Florida
Florida	34-24	Michigan
Michigan	34-24	Ohio State
Ohio State	34-24	Nebraska
Nebraska	34-24	Illinois
Illinois	34-24	Washington
Washington	34-24	Notre Dame
Notre Dame	34-24	Stanford

Women's World Cup

Rank	Team	Record
1	USA	10-0
2	China	9-1
3	Sweden	8-2
4	Germany	7-3
5	France	6-4
6	South Korea	5-5
7	Japan	4-6
8	Denmark	3-7
9	Norway	2-8
10	Australia	1-9

Men's World Cup

Rank	Team	Record
1	USA	10-0
2	China	9-1
3	Sweden	8-2
4	Germany	7-3
5	France	6-4
6	South Korea	5-5
7	Japan	4-6
8	Denmark	3-7
9	Norway	2-8
10	Australia	1-9

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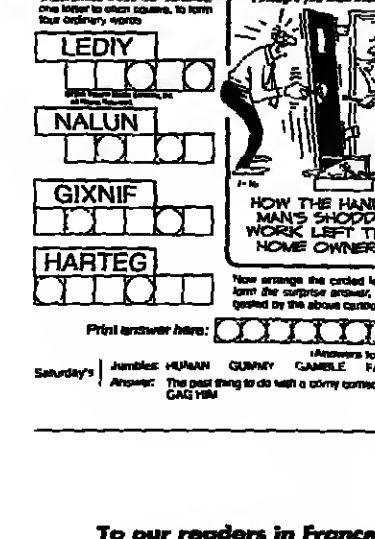
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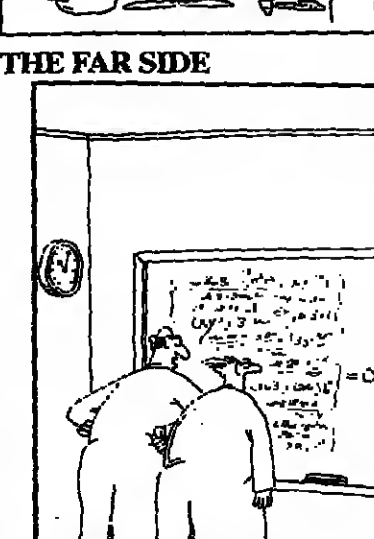
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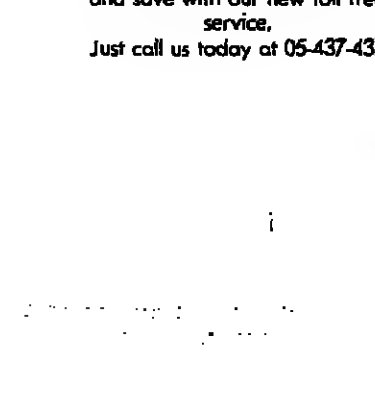
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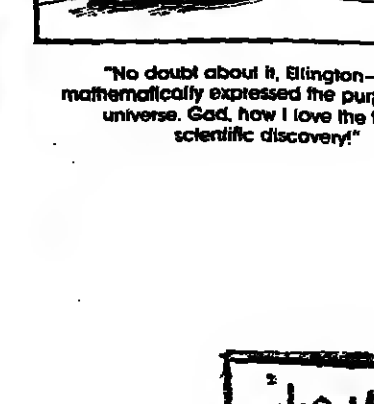
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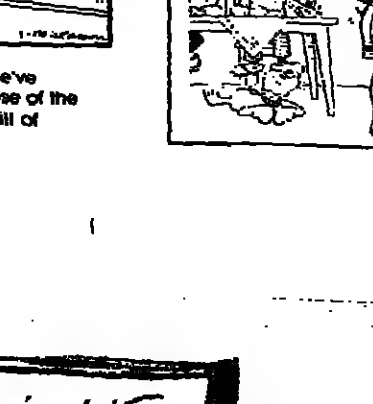
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MONDAY SPORTS



Alberto Tomba, roaring down the slope at Kitzbühel, Austria, got only faster as he posted the fastest time in both runs.

Tomba Runs Streak to 6 Straight As He Bombs Slalom Opponents

Compiled by Our Staff From Dispatches

KITZBUHEL, Austria — Alberto Tomba became the first to win six straight World Cup slalom races when he crushed the opposition Sunday.

He then came in to meet reporters after his eighth victory overall this season and wrote on the board, "Always the same press conference. Can we make something new this time?"

He had streaked to his sixth consecutive slalom triumph in a combined time of 1 minute, 37.26 seconds. Jure Kosir of Slovenia, clocked in 1:38.08, was second with Ole Christian Furuseth of Norway third in 1:38.20.

Tomba also moved into third place in the career list with 41 victories. He trails Ingemar Stenmark (86) and Marc Girardelli (44).

Girardelli upped his total as he took the combined event, based on the weekend results of a downhill and the slalom.

Tomba has not lost in six slaloms this season and carries a streak of eight straight from last year.

He posted the best time on

both runs, 49.32 seconds the first time down to lead Kosir by .06. Then an afternoon run of 47.94 extended his margin.

He has come close to being unbeaten this year. In the first giant slalom of the year he ran conservatively and was 22d, but moved up to fourth with the best second run.

He injured a rib during a slalom victory at Sestriere, Italy, and had to withdraw from another giant slalom in Val d'Isère, France, last month. Since then he hasn't lost a race.

With Italy only about 150 kilometers away from Kitzbühel, the hill was packed with fans cheering Tomba on.

"I wanted to win because there were a lot of Italian fans here," he said afterward. "I wanted to give them a present."

He tumbled into a fence after finishing the first run. After he had his victory, he knelt and kissed the snow. Then he went over to the fans and the crush of people caused a supporting fence to fall. Spectators came tumbling down in front of him.

"Some days you are carried

by the fans," he said. "I wanted to do something special for them because this is a special place."

With only three more slaloms to be run this season, Tomba has assured himself of that title. And he has built a massive lead in the overall standings, with 850 points. Kosir moved into second place with 430.

Lue Alphand of France, who won both races Saturday in an historic downhill doubleheader, did not enter the slalom to save himself for Monday's super-G.

Weather problems — sometimes too little snow and sometimes too much — had forced organizers to squeeze two downhills into one day for the first time on the World Cup circuit. And Alphand won both.

"Winning the second was more difficult," he said. "I was so happy to win my first race. And to win at Kitzbühel... Then I had to stay focused."

Those were Alphand's first World Cup victories. He finished second and seventh in this season's two previous downhills and third in a super-G.

The track was shortened by

about 500 meters from the usual distance. Missing was one of the more famous sections in ski racing, the "Mausfalle," with its 75-degree decline at the beginning of the normal track.

The only other time two Cup races were run at the same site on the same day also was at Kitzbühel, after weather forced a downhill and a slalom to be run a few hours apart in 1987.

One of Saturday's two races was scheduled for St. Anton, Austria, early in the season.

Patrick Ortlieb of Austria was second in the first run, at 1:41.28 only .01 second ahead of Kristian Ghedina of Italy.

Armin Assinger of Austria, winner of a downhill at Val d'Isère last month, was runner-up in the second race, in 1:40.58. Werner Perathoner of Italy finished third in 1:41.43.

The first race saw Italian Pietro Vitalini take a spectacular fall. He tumbled over a security fence, but landed in deep snow and was unhurt. He started the second race and finished fifth.

(AP, AFP)

America's Cup Competition Starts With Upsets

Compiled by Our Staff From Dispatches

SAN DIEGO — Team New Zealand, Sydney 95 and Nippon won their opening races as the America's Cup challenger elimination series got under way.

New Zealand, skippered by Russell Coutts, easily beat the Spanish entry Rioja de España by just under 11 minutes in light winds Saturday, while Sydney 95, a lowly rated Australian team headed by perennial Cup also-ran Syd Fischer, squeaked out a 20-second victory over favored France II.

The third race on the opening day of the Louis Vuitton Cup competition provided an even bigger shock, with Nippon's upset of oneAustralia, the well-heeled Australian entry that won every race of the International America's Cup Class World Championships in October. Former Cup winner John Bertrand and Olympic gold medalist Rod Davis shared the wheel on oneAustralia, but neither could match the speed of the Japanese upwind or down.

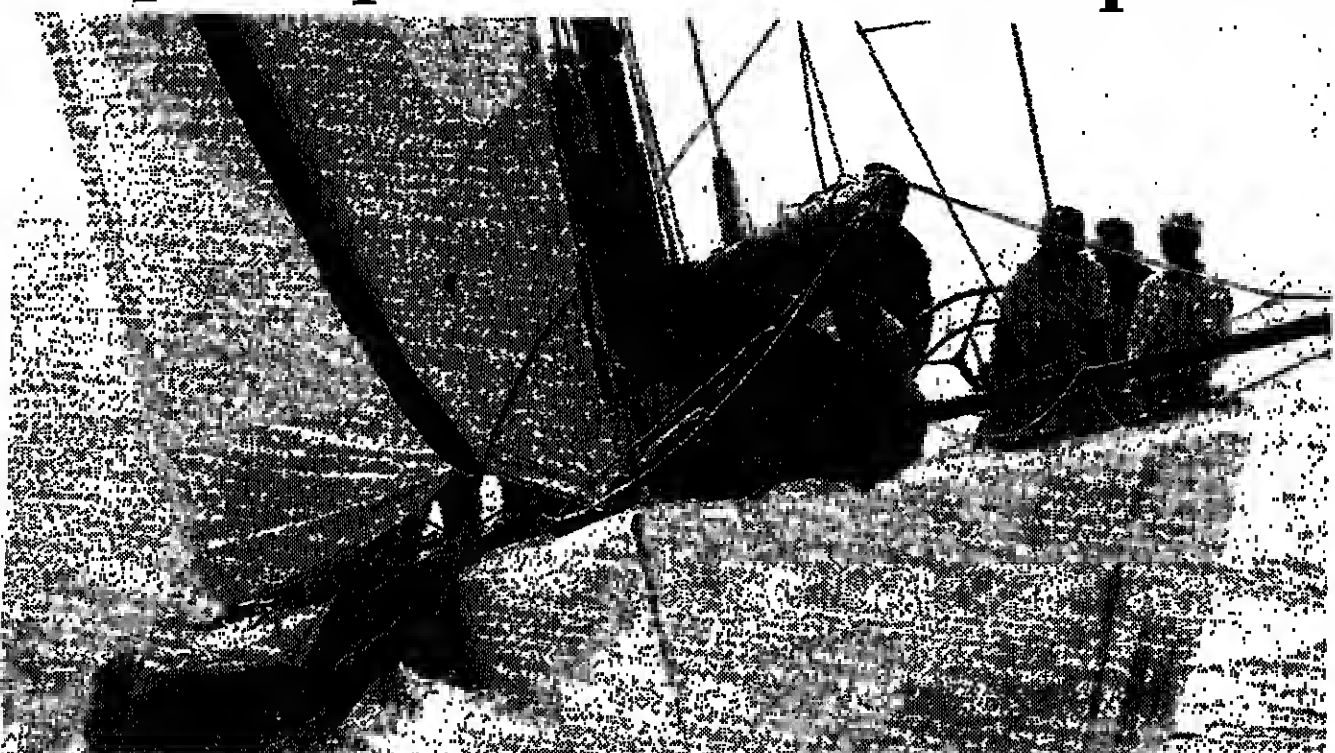
Nippon was steered by former New Zealander John Cutler after a last-minute Japanese bid to get approval for world match-racing champion Peter Gilmour to skipper the boat was rejected by Cup officials.

In the second first-round race of the defender trials, Team Dennis Connor's Stars & Stripes returned from an opening day loss to beat the Azores 3 all-women's team and even those standings at one point each.

oneAustralia, in its protest, charged that an incorrect procedure for changing the course was employed.

If the wind shifts dramatically, the race committee can alter the course accordingly. It is supposed to sound a warning signal to the competitors and indicate the new course direction, but the committee failed to lay the mark at the indicated position.

Because Nippon, which was



The Nippon, although dropping a sail into the water at the windward mark, led from start to finish against oneAustralia.

leading the race, made it to the new mark, the judges had to decide if their error affected oneAustralia's result.

The day before, Gilmour, who has coached the Nippon crew since early 1994, was ruled ineligible to sail as a member of the Japanese crew.

The organizing committees ruled that there was insufficient evidence to prove that he had established residence in Japan for two years. Cup rules allow a person to sail for a country other than his own if he or she has had a principal place of residence in that country for "no shorter than the two years before the first race of the applicable America's Cup match."

Several teams had challenged the Japanese team's submission of Gilmour as a team member. On the water, Gilmour sat in

the stern of the boat as the non-sailing 17th man while Cutler fashioned an even start, then forged ahead of oneAustralia up the first leg and never relinquished the lead.

The shifting winds of just four to five knots were less than optimal conditions for most of the boats, which are designed to race at higher wind speeds.

Team New Zealand won its start by 25 seconds from Rioja de España and continued to extend its lead throughout.

Skipper Marc Pajot took France 2 across the start ahead of Australian entry Sydney 95 and the French boat held the lead until it ripped a spinnaker on the final leg. It then made a tactical error by flying a new spinnaker before taking down the damaged one, which al-

lowed the Australians to close the gap. Down the stretch, Sydney 95 was able to overtake France 2.

"In hindsight, it should have been a higher priority to get the old one down," France 2's coach, Harold Cudmore, said of the spinnaker. "We didn't come out if it especially good."

Then, in dying breezes on a hazy afternoon, Connor made up for his opening-day defeat at the hands of the first America's Cup women's team.

Stars & Stripes convincingly won the start, held off early advances by the America3 and pulled away to a commanding victory of 5 minutes, 47 seconds.

Connor, 52, was in a foul mood Friday night after the America3's skipper, Leslie Egnot, chided him publicly over

the women's success in their first encounter.

But Connor didn't rise to the bait. Instead, the world's most experienced America's Cup skipper played his hand conservatively and brilliantly. As the boats neared the starting line side by side, he edged out to a three-second lead as the gun fired, then turned on a measure of speed Stars & Stripes hadn't shown the day before to take command.

Connor's crew matched a string of 27 tactics by the women, who tried vainly to break out from his wind shadow into clear air going up the first leg. By the first turning mark, 3 1/4 miles into the 18 1/2-mile Cup course, Connor had a 22-second lead.

The previous day, by sailing against Stars & Stripes in the first race of the Citizen Cup trials, America3 became the first all-women's team to compete in the 144 years of America's Cup competition. But even more significantly, America3 became the first all-women's team in international sport to defeat an all-men's team, doing so by 1:09.

(Reuters, WP)

Ertl Gives Germany a Slalom Title

The Associated Press

GARMISCH-PARTENKIRCHEN, Germany — Martina Ertl, a skier with a daredevil style, gave Germany its first women's World Cup slalom victory since 1987 as mistakes wiped out her top rivals Sunday.

Ertl made a mistake in the upper part of the Gudiberg course but regained her balance and made it to the bottom with a combined time of 1 minute, 22.54 seconds for the two runs.

The first-run leader, Vreni Schneider of Switzerland, straddled the very first of the 48 gates on the course and was eliminated. Pernilla Wiberg of Sweden, second after the first run, skied off the course.

"I made a mistake at the top and I didn't believe that I'd finish among the top three," said Ertl, 21. "But I pushed very hard in the second part. I was lucky and the others weren't."

The 21-year-old, called "Kamikaze" by teammates, got her first victory in a giant slalom at the World Cup finale last year in Vail, Colorado.

She had the third-fastest time in the first run, 41.57 seconds, and clocked 40.97 in the second. It was Germany's first slalom victory since Christa Kinshofer won in Piancavallo, Italy, in December 1987.

Deborah Compagnoni of Italy finished second in 1:22.67. Gabriela Zingre-Graf of Switzerland was third in 1:22.83.

Elisabetta Biavaschi of Italy, a late starter at No. 46, shot to fourth with the fastest second run of 40.75 seconds.

Heidi Zeller-Bähler of Switzerland, who did not race Sunday, retained the overall World Cup lead with 659 points, ahead of Katja Seizinger of Germany, 643, and Schneider, 582.

Florence Masnada of France won the women's super giant slalom Saturday with a flawless run on the tough course where Ulrike Maier was killed in a downhill a year ago.

Masnada, a late starter with No. 30, prevented a 1-2 U.S. finish with her first World Cup victory. Picabo Street was second and Shannon Nobis third.



Martina Ertl celebrating her second World Cup victory.

SIDELINES

Rams Going to St. Louis, Owner Says

LOS ANGELES (AP) — The Los Angeles Rams' owner, Georgia Frontiere, has said she's taking the NFL team to St. Louis because "I have no other choice," the Los Angeles Times reported Sunday.

The Rams received an offer from St. Louis that includes a new stadium and practice facility and a potential profit of more than \$20 million per year, the Times reported. The Rams projected a loss of \$6 million to \$7 million in 1994.

The on-again, off-again courtship between the Philadelphia Eagles and their former coach, Dick Vermeil, has been broken off because Vermeil's contract demands were too far out of line, the team's owner, Jeffrey Lurie, said.

For the Record

Aham Okeke, the Norwegian sprinter, showed a high level of the hormone testosterone on his second U.S. test, Norway's Athletic Association said. Its president, Lars Martin Kampang, said Okeke "is finished as a top athlete in Norway."

Romario, the star of Brazil's 1994 World Cup championship team, arrived home to the cheers of thousands in Rio de Janeiro after Barcelona received the transfer fee of \$4.5 million from the Flamengo team.

Macedonia must play its next two home games in European Championship qualifying, and Napoli and Panathinaikos Athens their next one game each, in empty stadiums because of fan misconduct, UEFA said.

(AP)

CROSSWORD

ACROSS

- 1 Pizzaro victim
- 5 — dangerous
- 10 Rights org. estab. 1960

DOWN

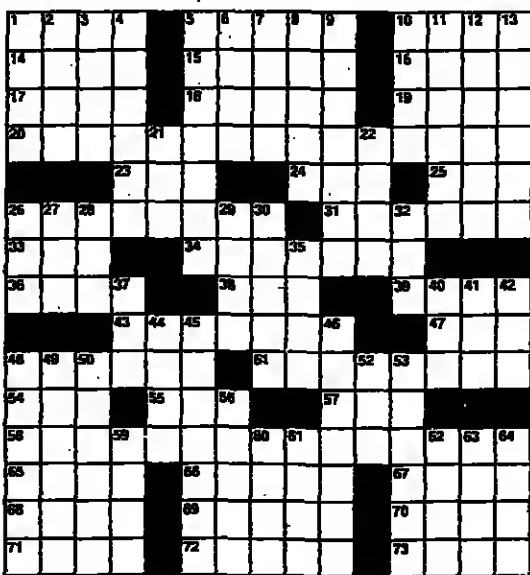
- 14 One who's socially challenged
- 15 With 4-Down, M.L.K. declaration of 8/28/63

ACROSS

- 16 Pentateuch: Var.
- 17 Gen. Bradley
- 18 Invoice word
- 19 "Love — leave it"
- 20 M.L.K. honor, 1964
- 21 In the past
- 22 Blaster's need
- 23 Posing mark
- 24 Cabinet department
- 25 Tossup's spot
- 26 Chinese tea
- 27 Saint of Avila
- 28 Rights org. estab. 1942
- 29 Mr. Onassis
- 30 Rights org. led by M.L.K. and others
- 31 Writer Rosten
- 32 — rasa
- 33 Interlental
- 34 Pizzaro's theft from 1-Across
- 35 Up to, briefly
- 36 Lulu dish
- 37 Song sung by M.L.K. and others
- 38 See 71-Across
- 39 Non-swimmer, maybe
- 40 Drawn tight
- 41 Hanging loosely
- 42 Surrounded by
- 43 Lawyer: Abbr.
- 44 With 65-Across, former French president
- 45 Play areas
- 46 Sci. class

DOWN

- 2 Verne's captain
- 3 Cancer, colloquially
- 4 See 15-Across
- 5 Heathrow, e.g.
- 6 Onelma
- 7 Korean president
- 8 Doll's cry
- 9 Force out
- 10 Peace policy
- 11 Swizzle
- 12 Hindell heading
- 13 M.L.K.'s alma mater, 1951
- 14 Drive recklessly
- 15 T-shirt size: Abbr.
- 16 Sch. orgs.
- 17 New Deal grp.
- 18 Cry of surprise
- 19 Toss-up
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- 60 Toss-up



Solution to Puzzle of Jan. 13

ACROSS
1 PIZZARO
5 DANGEROUS
10 RIGHTS
16 PENTATEUCH
17 GEN. BRADLEY
18 INVOICE
19 LOVE
20 MLK
21 IN THE PAST
22 BLASTER
23 POSING
24 CABINET
25 TOSSUP
26 CHINESE
27 SAINT
28 RIGHTS
29 MR. ONASSIS
30 RIGHTS
31 WRITER
32 RASA
33 INTERLENTAL
34 PIZZARO
35 UP TO
36 LULU
37 SONG
38 SEE
39 NON-SWIMMER
40 DRAWN
41 HANGING
42 SURROUNDED
43 LAWYER
44 WITH
45 PLAY
46 SCIENCE
2 VERNE
3 CANCER
4 HEATHROW
5 ONELMA
6 KOREAN
7 DOLL
8 FORCE
9 PEACE
10 SWIZZLE
12 HINDALL
13 MLK
14 DRIVE
15 T-SHIRT
16 SCHOLARSHIP
17 NEW
18 CRY
19 TOSSE
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